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The Nation's Business

Drive to Avert War Has Economic Spearhead

Roosevelt, Hull Look to Imperial Conference

Lawlessness Loses at Oshawa

Change Is Needed in Immigration Laws

British-American Drive For World Peace

RENEWED hopes for world peace are aroused by Mr. Roosevelt's quiet effort to bring the British nations and the United States together as the leaders in a drive for economic disarmament.

It has been clearly demonstrated that the root causes of war include economic hostility between the nations. If recovery—now under way in some countries—cannot be further stimulated on a world-wide scale, and if merchandise and capital cannot be made to flow more freely across national boundaries, another world war is hardly to be avoided. It will come in the wake of hunger, frustration and spiritual defeat. The standard of living of the peoples of the world has been progressively declining when it should have been rising to new heights. It is little wonder that discontent is so widespread, and some nations are arming to take by force that which economic nationalism has denied them. It is little wonder that political morality in the international sphere has almost reached the vanishing point and millions cheer as Fascism and Communism alike trample down liberty.

* * *

AMONG the nations where ideals of peace have remained unchanging objectives are the United States, Great Britain and the British Dominions. Similar ideals remain the fixed obsession of other countries in the "sterling area" as well as of those within the influence of the United States. Thus, over the larger part of the world, there is a real demand for peace and a readiness to pay the immediate economic cost of it in order to ensure the rising standard of living and the new era of business expansion that must follow.

There is a real hope now that Washington and the British nations will be able to agree as to ways and means to achieve economic peace. Washington feels that the best British contribution would be a modification of the principle of Imperial preference. London suggests to the United States that its own policies of economic aloofness from the world have been a prime factor in creating disillusionment and in sowing seeds of war.

* * *

IMPERIAL preference and United States tariff policy were never intended to engender war.

The Empire will not willingly jettison the policy of Imperial preference and should not do so quixotically. But the Empire may be able to fit Imperial preference into a large scheme of world trade stimulation.

Mr. Roosevelt and Mr. Hull seem willing to lower American tariffs drastically, but will Congress agree; and can assurance be given that the tariffs would remain lower? Such practical problems stand as lions in Mr. Roosevelt's path.

* * *

THE forthcoming Imperial Conference may prove to be an event of key importance in the postwar history of the world. It may determine just how far the British nations are ready to go in a joint effort with the United States to promote world prosperity and end the threat of war.

The Financial Post this week publishes a major discussion of the issues involved. It outlines Washington's programme with the attitude of London and Ottawa toward it. This is, we believe, the first comprehensive revelation published anywhere of just what is going on behind the scenes in respect to economic disarmament under the leadership of the English-speaking world.

* * *

Lawlessness Loses the Oshawa Strike

MR. HEPBURN threw up his hands and the C.I.O.-Communist group won a smashing victory all along the line, one would gather from reading the accounts of the Oshawa strike settlement in Canada's Communist daily paper. But the independent New York Herald-Tribune heads an editorial "Mr. Hepburn Wins."

General Motors seems to be happy enough about the settlement achieved, and the workers in the General Motors plant celebrated the settlement of the strike with cheers. Under these circumstances the question of who "won" the actual labor dispute itself is of no consequence. What is of greater importance and significance is that Canadian law and order triumphed.

The strike was carried on without violence or bloodshed. So much did Mr. Hepburn's intervention achieve.

The Committee for Industrial Organization sent its trouble-makers into Canada prepared, we have not the slightest doubt, to turn the Oshawa strike into a cruel, remorse-

(Continued on page 2, col. 2)

Higher Wage Scale May Add $1 a Ton To Newsprint Costs

Increased Costs Precede Major Price Advance in Newsprint

AFFECTS SIX FIRMS

New wage agreements with workers in Ontario pulp and paper mills appear likely to result in an increase in costs of production of newsprint as high as $1 a ton. The negotiations at Toronto this week affect only Ontario mills, it is understood.

Old wage agreements with international unions are renewable from May 1, and adoption of the full proposed increases in wages at once would cut deeply into the increase from $41 to $42.50 in the export price per ton of newsprint for 1937. Coupled with higher costs of materials, the wage increases may virtually eliminate the benefits of the 1937 price increase, according to reliable informants in the newsprint industry.

The price of $50 a ton for newsprint recently announced does not apply until Jan. 1, 1938. The time of imposition of the full proposed wage increases is therefore of prime importance to the companies concerned, which include:

Abitibi Power & Paper Co.
Provincial Paper Ltd.
Great Lakes Paper Co.
Minnesota & Ontario Paper Co.
Ontario Paper Co.
Spruce Falls Power & Paper Co.

The last two firms are controlled by U. S. newspaper interests and there is no public investment interest in them.

Increases Announced

John P. Burke, president of the Pulp, Sulphide and Paper Mill Workers' Union, after conferences with company representatives, announced this week that wage increases ranging from 11 to 15 cents an hour would be effected for some 5,000 workers in Ontario pulp and paper mills. The unions are affiliates of the American Federation of Labor.

The important question still under consideration as The Financial Post goes to press is whether the full increases will be adopted May 1, or whether part of the rise will become effective Jan. 1, 1938, coincident with the sharply increased price of newsprint.

General laborers in newsprint mills will receive 54 cents an hour under the proposed schedules, raising the wage level to the old wartime peak. The highest rates, for tenders of paper machines, will range from $1.45 to $2.06 an hour. These rates for expert operators are varied according to the size of the machine and the speed of operation.

Three Influences

The three most important elements behind the paper mill workers' wage agreements are these:

1. Announcement unusually early of an increase from $42.50 to $50 a ton in the price of newsprint for the first half of 1938.

2. Adoption of higher wages about two weeks ago by Great Northern Paper Co., major U. S. newsprint producer.

3. Competitive influence in organized labor of the Committee for Industrial Organization, headed in the United States by John L. Lewis.

At the time of announcement of the increased price for newsprint, some company officials felt that it would contribute to higher wages from May 1, 1937, even though the increase in price is not effective for eight months. Old wage agreements were due for renewal May 1, and the current wage situation was foreseen as an inevitable result of the early price announcement.

The Great Northern wage agreements in effect establish the basis for agreements in Ontario mills whose workers are unionized similarly in American Federation of Labor organizations.

The C.I.O., of course, consists of a group of unions that have broken away from the A. F. of L. The internal friction in major labor organizations makes for a competitive situation tending to bring pressure on the more conservative labor elements to demonstrate bargaining ability.

In announcing that representatives of paper companies would adopt higher wage scales under new agreements, Mr. Burke commented:

"I have signed agreements with these companies for the last 20 years. We have never had a serious labor dispute. We have had very fair-minded employers to do business with."

Restrict Borrowing By City of Montreal

MONTREAL. — Montreal city council cannot keep on borrowing without approval of property owners.

A general clause in the Montreal bill under which the city was to be given authority to borrow $5 millions a year for capital expenditures without approval of property owners, has been thrown out by the private bills committee of the Quebec legislature.

Plans for sweeping taxation on outside interests were also rejected by the committee. The city, however, has been given additional taxation powers, principal of which is a special tax on chain stores. The clause providing for a tax of $1,000 on brokers not members of a recognized association has been turned back for revision. The clause giving the city the power to levy a tax of $200 on any business has been adopted.

Abitibi Plans In Flux Stage

Negotiations over proposals for reorganization of Abitibi Power & Paper Co. have been progressing. The situation is that alternative proposals are being presented at almost every meeting. One well-informed source tells The Financial Post that the swing of negotiations has been toward yielding more to shareholders than bond representatives have been willing to concede up to the present. Representatives of equity interests feel they are in a position to prevent drastic treatment of shareholders.

Ford Volume Gains Sharply

W. R. Campbell Expects Increase for Year, But Costs Rise

Wallace R. Campbell, president of Ford Motor Co. of Canada informed shareholders at the recent annual meeting that volume of sales and production for the first quarter of 1937 were considerably in excess of volume for the same period of 1936. "It is confidently expected that the total output for 1937 will exceed that of 1936," he added.

Commenting on rising costs of production and the importance of export business to the company, Mr. Campbell stated, in part:

"Current costs reflect substantial increases in materials and labor, and it is probable that this upward trend will continue, at least for the immediate future.

"Prospective business of overseas subsidiary companies is promising, and it is anticipated that the volume from this source will continue to be an important factor during the current year.

"Volume of export shipments in 1936 was 42% of the total dollar volume.

"A decrease in export shipments in 1936 in comparison with 1935 is accounted for in part by the cessation of shipments to the United Kingdom and Spain. The English company commenced producing its own requirements of V-8 motors, and political developments in Spain precluded further transactions in that market.

Stating that the total investment of the Canadian company in the shares of subsidiaries now amounts to $8,520,824, Mr. Campbell commented:

"During the year the investment in these subsidiary companies increased by $2,315,322, as the result of the formation of the New Zealand company and an additional investment of $730,245 in the South African company. The latter amount was necessary in order to provide additional working capital in view of expansion of business in that territory.

"A calculation of dividends received from subsidiary companies since date of incorporation in relationship to our investment in the shares of those companies shows an average annual return equivalent to 8.74% before Canadian income tax.

"Volume of sales by subsidiary companies in the first quarter of 1937 compares favorably with the same period in 1936, and the outlook for the current year is encouraging."

End of Strike Eases Tension Of C.I.O. Drive

Oshawa Pact Provokes Questions as to Future

INDUSTRY CURIOUS

Peaceful adjustment of the Oshawa strike has temporarily eased the tension of the first skirmish in the C.I.O. invasion of Canada. But it leaves unanswered many questions, and creates new ones, as to how the C.I.O. campaign for strength is to be dealt with by Canadian industry generally.

In the settlement of the General Motors of Canada strike, Premier Hepburn of Ontario and the company emerged triumphant in their determination to withhold specific, official recognition from the C.I.O. and its affiliated auto union. But the agreement was with a committee of officers of the Oshawa local of that union, one of whom is a salaried organizer of the international union's staff, and is regarded by them as giving the union at least a practical working status.

This has produced the larger question of whether this agreement is to be a pattern, acceptable to Mr. Hepburn and to industrialists, for future relations between employers and workers whom C.I.O. unions may succeed in enrolling. Still to be clarified is whether the Oshawa pact is to be regarded as the best available formula for holding the C.I.O. at arm's length, and preventing it from gaining a hold over Canadian workers and industry.

May Intensify Drive

It already appears that the General Motors settlement may intensify rather than abate the drive to bring Canadian mass production workers under the banner of C.I.O. Plans are being drawn to extend the auto union's campaign for Canadian membership, the next objective being employees in other Canadian auto supply plants. Operations of C.I.O. union agents in the rubber, textile, steel and metal mining industries continue apparently unchecked.

Furthermore, C.I.O. spokesmen have made it plain that the Oshawa settlement formula is by no means a model satisfactory to them. They continue, they say, to seek agreements under which the appropriate union, and possibly the C.I.O. itself in addition, is recognized as the agency representing unionized employees if not all employees.

Premier Hepburn's stated attitude both before and after the strike

(Continued on page 2, col. 7)

Wesson May Head Sask. Wheat Pool

From Our Own Correspondent

REGINA. — J. H. Wesson, vice-president, is generally considered the most likely successor to the late L. C. Brouillette as president of the Saskatchewan Wheat Pool. George Robertson, for many years secretary of the organization, is mentioned also. Choice will be in the hands of 15 directors, each one elected from a different area of the province.

While still the dominant wheat pool in the West, even the Saskatchewan organization has lost much of its early aggressiveness in wheat matters and the appointment of a new president is not regarded as significant as it once would have been. In some quarters the pool is regarded as a political factor favorable to the C.C.F., but returns in the last provincial and federal elections did much to weaken that belief.

Ford Shares Well Bought By Big Firms

British and U. S. Investment Trusts Buy Canadian Shares

SELL H. B. MINING

Heavy dealings in Canadian stocks are reported by some American investment trusts for the first quarter this year. Several large buying orders from British investing firms were executed last week on the Montreal Stock Exchange.

Foremost among the reported purchases were these:

9,300 shares of Inter. Nickel;
11,000 shares of Ford of Canada "A";
15,000 shares of Dominion Stores;
2,500 shares of Consolidated Mining & Smelting;
5,000 shares Industrial Acceptance Corp. "A";
5,000 shares John A. Lang & Sons;
2,000 shares International Power preferred.

Sales of large blocks of stock reported by U. S. investment trusts include the following:

15,500 shares Hudson Bay Mining & Smelting;
7,200 shares Noranda Mines;
4,000 shares Hiram Walker-Gooderham & Worts com.;
1,000 shares International Nickel.

The British purchases reported from Montreal really consisted of one large transaction last week by a Montreal investment firm involving the blocks of stock in Dominion Stores, Industrial Acceptance, John A. Lang, and International Power listed in the foregoing.

Reports of U. S. Deals

Massachusetts Investors Trust, major American investing firm, increased its holdings of International Nickel from 40,000 to 48,000 shares.

Selected Industries Inc. increased its holdings of Ford of Canada stock from 3,000 to 7,000 shares. It acquired 1,000 shares of Consolidated Mining & Smelting and increased its holdings of International Nickel from 5,200 to 6,500 shares. This trust cut its holdings of Hudson Bay Mining & Smelting Co. stock from 11,500 to 2,500 shares; reduced its Noranda stock from 4,300 to 2,000 shares, and eliminated from its portfolio its entire holding of 4,000 common shares of Hiram Walker-Gooderham & Worts.

Capital Administration Co., another U. S. investing organization, in the three months ended March 31, 1937, increased its holding of Ford of Canada stock from 1,000 to 3,000 shares. It disposed of its former holding of 1,000 shares Hudson Bay Mining & Smelting and reduced its interest in Noranda Mines from 1,400 to 600 shares.

Tri-Continental Corp. bought 5,000 shares of Ford of Canada stock in the first quarter of this year, raising its total holding to 7,000 shares. This firm also bought 1,500 shares of Consolidated Mining & Smelting stock. But it reduced its holdings in Hudson Bay Mining & Smelting from 10,000 to 4,500 shares and its Noranda stock from 6,000 to 3,000 shares.

While two of these American investment trusts were buyers of International Nickel in the quarter ended March 31, another, Equity Corporation, reduced its holdings from 13,000 to 12,000 shares. This firm kept in line with the others named, however, in reducing its holdings of Noranda stock from 6,300 to 4,200 shares.

Prices at which transactions in the various stocks were made are approximately as follows:

Prices at Which Dealings Occurred

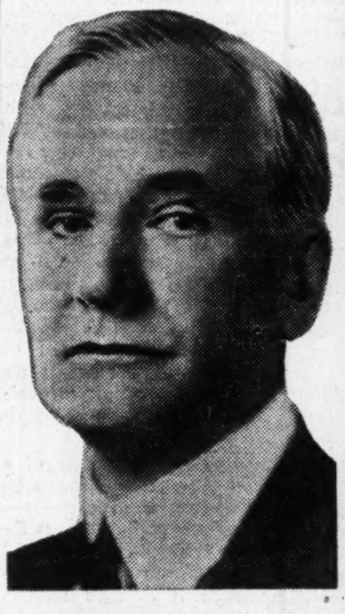
Dom. Stores	12	John A. Lang	22
Ford	22-29	Int. Power, pfd.	94
Int. Nickel	63-73	Noranda	73-83
Cons. Smelt.	74-100	Hud. Bay	32-41
Ind. Acceptance	36	Walker's	45-49

A LA MODE TO THE NORTH

It's a far cry from the portage-making, grub-carrying method used by the early miners in gaining the north, to the new air-conditioned, commodious method of travel. This difference was accentuated recently when The Northland running on a new schedule pulled out of the Union Station at Toronto one afternoon at 5.45 p.m. and deposited its passengers at Timmins, northern mining centre, at 9 a.m. the following day. Comparative service was established with Kirkland Lake and Rouyn.

The new train, operated by the C.N.R. and T.&N.O. is the last word in modernity, being all air-conditioned, and equipped with many a railway wrinkle which would cause the old time prospector to turn in his grave. Among such features are a "Ladies' Lounge," a glimpse of which is shown above.

Empire Conference Asked To Back Roosevelt Plan Of Economic Disarmament



HON. CORDELL HULL

Secretary of State in the Roosevelt cabinet and the man largely responsible for planning the present drive toward world economic peace, a subject which will be a major item of discussion at the forthcoming Empire parley at London.

Canadian Prime Minister to Lay President's Proposal Before London Parley — World Economic Conference Planned If British Dominions Will Make First Move — Anglo-American Trade Treaty Is Key Step in Programme

By FLOYD S. CHALMERS
Editor, The Financial Post

WASHINGTON.—When statesmen of the British Empire meet in London in May they will have before them, in broad outline, a proposal from President Roosevelt and Secretary of State Cordell Hull for a world peace programme to be based upon economic disarmament.

Spearhead of the joint British and American attack upon the root causes of war would be, the United States has proposed, a reciprocal trade treaty between the United Kingdom and the United States—a treaty that would lay down a challenge to the world to abandon those policies of trade strangulation that produced the great economic crisis.

Such a treaty would be but a first step. Washington hopes that the Imperial Conference will produce a positive declaration that the British countries have set as their objective the promotion of world recovery by policies of general tariff reduction, exchange stability and a freer access for all to the raw material resources of the world.

Seeks Empire Aid for World Parley

It has been suggested to Britain and the Dominions that they give tangible expression to what might otherwise be a pious platitude by modifying the policy of Imperial preference so as to remove from it any elements, such as fixed margins of preference, that might be interpreted by other nations as "restrictionist" or "isolationist."

For its contribution the United States is willing to declare that it will proceed with further downward revisions in United States tariffs, unilaterally, through reciprocal trade treaties, through loyal adherence to the "most-favored-nation" principle.

If out of the Imperial Conference there comes a ringing challenge from a united British commonwealth of nations, addressed to a world obsessed with policies of economic nationalism—a challenge to reduce tariff and avert the threatened world war by removing hunger, frustration and discontent in any form wherever they exist in the world, then President Roosevelt stands ready to issue an invitation to the nations of the world to meet in a great world economic conference. This conference, it is hoped, would reach unanimity of opinion on the measures needed to ensure world recovery. The conference, the President hopes, would be as brilliant in its success as similar previous conferences have been dismal in their failure.

This, in brief outline, is the programme for world recovery that is now being shaped behind the scenes by President Roosevelt and his far-seeing statesmanlike "foreign minister."

World Peace in Balance

World peace rests in the balance as the programme is shaped. Necessary, however, to its success are the co-operation of Great Britain and the Dominions and the support of Congress and the American people, who are still far from a full understanding either of what the administration regards as the causes of the world economic breakdown or of the policies needed for reconstruction.

Those who speak for the administration—if not those who speak for Congress—declare that a fundamental change in United States tariff policy is now taking place; so quietly that even the American people are not fully aware of its extent and its significance.

Premier King's Views

When Premier King of Canada speaks to the Imperial Conference in London following the Coronation he will be able to report, as a result of his conversations in Washington:

First, that the President is prepared to move, just as rapidly as public opinion in the United States can be tutored, away from the nation's traditional policies of economic isolation and extreme nationalism, toward a policy of economic co-operation with the world.

Second that the administration, if not the nation as a whole, recognizes

(Continued on page 10)

Empire Parley Will Decide Pacific Policy

Vital Decisions Affecting Canada and Empire Planned

DEFENSE ISSUE

From Our Own Correspondent

OTTAWA.—On Parliament Hill the realization is gradually dawning that momentous decisions and plans are to be made and discussed when Empire statesmen meet in Imperial Conference at London on May 14.

Apart from broad questions of international trade affecting the peace and prosperity of the Empire and indeed the world, and which are discussed at length elsewhere in this issue, it is also becoming apparent that one very vital step which will be taken at the conference is that of a new and enlarged British naval policy on the Pacific, with Canada, Australia, New Zealand and even India, participating. Such a policy is understood to have been worked out in detail by the British admiralty authorities and to be ready for submission to the Dominion delegates when they meet in conference next month.

Colorful support to the reports of an impending new British naval policy in which Canada will be concerned, as indicated by the foregoing was furnished this past week-end on Parliament Hill when the official Canadian delegation to the Imperial Conference departed. Virtually every senior official of the naval branch of the Department of National Defense was included. Other branches of the service were only nominally represented.

Policy Outlined

As Ottawa understands the British Empire-United States jig-saw which statesmen are trying now to fit into a world peace pattern, the immediate situation—in which the coming Imperial Conference plays the major rôle—is somewhat as follows:

Great Britain is to pursue a policy of augmenting her Pacific fleet by the co-operation of Canada, Australia, New Zealand, and India. While nothing will be said openly of the definite motive for such a step, one of its purposes clearly would be not only to discourage possible Japanese ambitions in the Pacific, but also to protect British interests in the event of any possible conflict be-

(Continued on page 2, col. 4)

Eyes North

With Oshawa back at work once more many watchful eyes are turning to Canada's northland. For it is in this great mineral belt whence comes annually more than $300 millions of new wealth that the next major test of C.I.O. in Canada is feared.

In its next issue The Post will tell a gripping, intimate story of Canada's miners. How they live. What wages they receive. What sort of men they are. It will tell also something about their employers and what has been done to make modern mining as clean-cut an occupation as you can find anywhere in this country.

Whatever happens in the north, this story will help you get a clearer, more intimate picture of this great business than has heretofore been told. It will be of wide interest to both investors and businessmen.

Next week in The Financial Post.

Church Bonds Called

From Our Own Correspondent

MONTREAL. — Roman Catholic Bishop of Saint John 5% first mortgage bonds, due Jan. 1, 1939, and amounting to $500,000, have been called for redemption July 1 next at 101 and accrued interest.

Plan Enquiry Of Tram Co.

Quebec Government to Probe Montreal Set-up

From Our Own Correspondent

MONTREAL.—A commission enquiry this year to establish the real value of the assets and capital investments of Montreal Tramways Co. is planned by the Quebec Government. The enquiry board will probably consist of one representative each of the company, the city and the province.

The contract entered into between the company and the city and ratified by the provincial legislation in 1918 has been under fire for some time.

Hope For Just Basis

The annual rental of $500,000 payable to the city has not been paid for more than two years but payments to the company have been sufficient for bond interest and dividends. Pointing out that the contract favors the company with no protection for passengers, the city or employees, Premier Duplessis emphasizes that the situation must be remedied. In this connection he states:

"This is a delicate and complicated problem. There will be no injustice, confiscation or sabotage. Everything will be on a just basis. We do not wish to precipitate matters. We want to reform matters, to have time for mature action, to examine the matter from the point of view of the city, of the passengers, the workmen and of the company. This is not a time for demagogy."

Highlights

British Boom Control

A mixture of old and new methods is being used by Great Britain. Page 13

Tip Top Builders

Teamwork of David Dunkelman and H. P. Mackechnie has built a nation-wide enterprise. Page 16

"How to Win Friends —"

Dale Carnegie has assembled a formula for success into 1937's most successful non-fiction book. Page 11

Coronation in Canada

Store owners and manufacturers find the Coronation helps to sell a wide variety of goods. Page 11

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Board Session Studies Rates

Ottawa Meet Deals With Question of Commissions

Meeting at Ottawa in one of the most important fire and casualty gatherings in some years, The Dominion Board of Insurance Underwriters, covering all "board" companies in Canada, this week grappled with the ticklish matter of commissions to agents.

The definite proposals submitted to the company representatives by the council of the Dominion Board, which has been studying the question for some time, are not likely to be accepted as originally drafted. They called for fairly uniform commission practice with rates varying from 35%, plus a 10% contingent profit commission to 15% to general agents. Rates of from 25% to 10% for resident local agents were set.

In its report, the Dominion Board council states that in carrying out its study it was "much impressed by the effect upon general conditions of the large and increasing number of companies in the limited Canadian field under the so-called group system, and the advantages that might be derived by a substantial curtailment in the number of such companies."

Bonus for Workers

From Our Own Correspondent

MONTREAL.—Dominion Textile Co. announce a bonus of 5% of wages earned for the first three months of 1937. About 7,000 of the company's 7,500 employees, all in Quebec, will receive the bonus this week.

BUY IT AT EATON'S

"How to win Friends and Influence People"

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The Nation's Business

(Continued from page 1)

less, bitter and probably bloody battle, fought out with rocks and machine gun bullets, as most C.I.O. labor disputes have been fought out in the United States. Mr. Hepburn stopped the lawlessness before it started and ensured a peaceful settlement by peaceful means. That is the real victory that Canadians have achieved out of the Oshawa strike.

* * *

THE C.I.O. intends to carry on its effort to organize labor in every unorganized plant in Canada. When the C.I.O. speaks of "unorganized" labor it means unorganized under international dictation. Company unions, shop councils, practical and friendly understandings between employer and employee do not count with the C.I.O. It wants to achieve industrial dictatorship over the country. It finds its biggest obstacle in the existence of so many contented, happy families of employees, working in complete harmony with the owners and managers of the industries with which they are associated.

* * *

THE C.I.O. issue has not been settled by the Oshawa strike and settlement. The C.I.O. is carrying on, perhaps a little chastened, perhaps not at all.

The C.I.O. record is still one that is marred by more black marks than brightened with white ones.

There are two reasons why the penetration of the C.I.O. into Canadian plants must be resisted in the interests of Canadian workers; and resisted even by those who are strongly sympathetic with the principle of collective bargaining whether through craft or "horizontal" unions.

The first is that the C.I.O. has yet to demonstrate that it is a law-abiding body manned at the top by men who would rather win by peace than through intimidation, force and law-breaking.

The second is that the C.I.O. still remains an organization whose political ambitions, apparent on the surface, are rather disturbing to Canadians. We, in this country, cannot dismiss lightly the obvious aim of John L. Lewis to become the most important political force in the United States. Canadians have to take account of the possibility that Mr. Lewis may achieve that aim to the point even of becoming president of the United States.

Does this country want to attain a position in which its labor policies, and a key minority group in its affairs, will both be under the domination of the chief political force in another country? The menace that such a situation presents to our political independence can not and must not be overlooked.

* * *

SOME day the Committee for Industrial Organization may decide that its objectives and the ambitions of the small autocratic group that controls it should be shaped to the long-term interests of Labor. It may decide that these interests can be best served by decency, honorable dealing and co-operation with other Labor groups and with employing groups. If and when such a change in spirit and purpose has been demonstrated, the attitude of Canadians toward the organization may undergo a very radical change.

* * *

Immigration Laws Need Tightening

BUSINESSMEN and tourists are able to enter this country with virtually no restriction upon their activities so long as they are respectable citizens and do not come here to transgress our laws. A businessman, with a record of crime in another country, would have difficulty coming into Canada and if he became a menace to the country, when he got here, he would soon be thrown out. Witness the co-operation between the Department of Immigration and the security commissioners of the provinces in dealing with high-pressure stock swindlers.

The right of the organizer of a trade union to cross the Canadian border freely has been given not only the tacit recognition that is inherent in our immigration laws and practice but it has been given specific recognition by special statute. That specific right should be withdrawn because it is capable of abuse as recent events have demonstrated.

* * *

SURELY Ottawa should be as firm in protecting Canadian labor and Canadian labor unions from exploitation as it is in protecting Canadian security dealers and investors.

The Department of Immigration may have now all the authority it needs to keep out irresponsible and trouble-making agitators. But if it has been disarmed of this necessary authority, then the authority should be restored at the first session of parliament by revocation of the statutory freedom of movement granted to labor organisers. Sincere, honest, law-abiding union men will still have freedom of movement even without the specific authority.

London & Western Trusts Appoints New Treasurer

Appointment of John Godwin as treasurer has been announced by the London & Western Trusts Co., London, Ont. Mr. Godwin was formerly head office accountant for the company and the present appointment means the creation of a new office by the London & Western Trusts.

Ontario Steel Co. Declares Dividend

Ontario Steel Products has declared its regular quarterly payment of $1.75 a share on its 7% preferred stock, plus a payment of $5.25 a share on arrears of dividends. Both dividends are payable May 15 to shareholders of record May 7.

With this payment arrears of dividends on the preferred stock will be reduced on $17.75 a share.

Maple Leaf Gardens Income Up for 6 Months

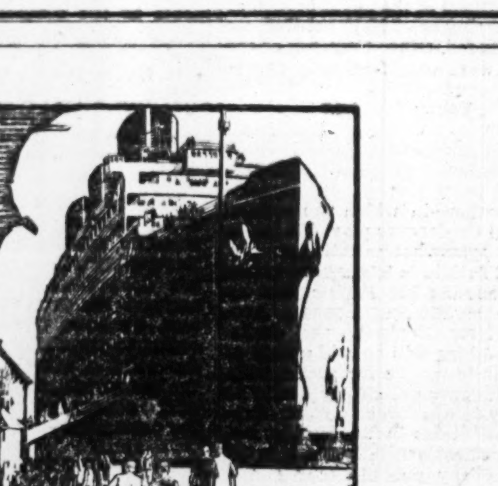
Shareholders of Maple Leaf Gardens, Toronto, at the annual meeting on April 26, 1937, elected G. R. Cottrelle president to succeed J. P. Bickell, who becomes chairman of the board. W. A. H. MacBrien was elected a vice-president to succeed G. R. Cottrelle and W. Frank Prendergast and C. George McCullagh were elected directors to fill vacancies on the board.

Conn Smythe, managing director, told shareholders that income of Maple Leaf Gardens showed an increase of approximately $60,000 for the period from Oct. 31, 1936, over the corresponding period of a year ago. After June 1, 1937, the provincial amusement tax will be wiped out and should result in a substantial saving, most of which will likely be passed on to the public in reduced prices.

Canada Wire & Cable Pays $2 on Preferred

An interim payment of $2 a share has been declared on the 6½% cumulative preferred stock of Canada Wire and Cable Co. This dividend is payable June 18, 1937, to shareholders of record May 31.

The company paid $6 a share on this stock in 1936 and made a payment of $1.75 a share on March 20, 1937. After the June 18 payment the stock will be in arrears $19.50 a share.



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A. B. Fairclough, who has announced the formation of Fairclough & Company, dealers in investment securities.

Explains Split With Aberhart

Says Premier Wanted to Sell Out Sinking Fund

From Our Own Correspondent

EDMONTON.—In an illuminating disclosure of the inner workings of the Aberhart administration, Charles Cockroft, Social Credit member for Stettler and former provincial treasurer, has given his reasons for breaking with Premier Aberhart.

Mr. Cockroft, in a statement to his constituents, gives details of a series of allegedly costly errors in financial policy, which he had opposed as provincial treasurer and which made his position "intolerable."

One of the gravest charges laid at the door of Premier Aberhart by Mr. Cockroft is that the Premier and other members of the Cabinet repeatedly insisted that provincial sinking funds be sold out. "I felt," he said, "that to follow such a course would have led to misuse of trust funds and certainly a loss to the province of over $1.2 million and in any case it was against the common principles of decency and honesty."

In placing the facts before his constituents Mr. Cockcroft stated that he was prepared to resign if 40% of the electors in his constituency signed a recall petition. The Alberta Recall Act requires a petition by 66% of the constituents.

Poor Management Alleged

Mr. Cockroft further charged that because the province did not live up to an agreement in respect to road advances, it suffered a loss of $117,000, with a possible loss in the aggregate of $350,000. For this reason it was difficult, Mr. Cockroft stated, for the Government to secure advances to meet necessary services.

Another proposal with which Mr. Cockroft disagreed was the plan to include savings certificates in the refunding scheme under which the province planned to issue debenture stock.

Failure of Premier Aberhart to co-operate with other western provinces was also decried by Mr. Cockroft. He also expressed the opinion that if Alberta had tried to co-operate assistance would have been forthcoming from the Dominion Government as it has to Manitoba and Saskatchewan.

Empire Conference Will Decide Policy For World Peace

(Continued from page 1)

tween Japan and Russia. This latter contingency is one which is expected to enlist warm Australian and New Zealand — even Canadian — support for the plan.

Tie-Up With U.S.A.

Further, however, behind the scheme will lie the motive of facilitating the United States-British Empire alliance in the belief that out of co-operation between the two great Anglo-Saxon powers alone can come world peace. British statesmen are understood to be impressed with the difficulties which the United States President faces in persuading the American people, traditionally disinclined to co-operate with any European power, that the alliance which he favors is desirable.

At the same time, they recognize the powerful motive which suspicion of Japanese ambitions constitutes in forming American public opinion. Their belief is, accordingly, that if the British peoples can make themselves the most powerful naval agency on the Pacific, the Americans will be quick to recognize an alliance as desirable, and President Roosevelt will receive public support for the understanding which he is seeking to perfect between the two peoples.

Thus, out of a common interest in restraining Japanese aggression would be born, it is hoped, the commercial accord between the Anglo-Saxon nations of the North Atlantic —the United States, Canada, and Great Britain—looking toward a crusade for freer international trade, with other nations inevitably drawn in, with nationalistic barriers toppled, and with the economic causes of war largely eliminated.

A substantial share of Canada's contribution to the project of greater naval power on the Pacific, it is suggested, may be in the form of Pacific coast defenses, designed to make the British Columbian coast impregnable to any landing force. Establishment there of a northern Pacific naval base for the British fleet is also mentioned as a possibility.

The whole scheme is conceived on a vast scale which, if it were to be accepted as simply an armaments programme, would make its approval by the Canadian Parliament altogether doubtful. Even as a plan for ultimate peace it is certain to be regarded with suspicion and bitterly opposed in some quarters, although the consensus of Federal opinion is that it would carry. Still, as the plans for enlarged naval participation by Canada as an indirect step to peace become known, the predominant question on Parliament Hill becomes: "What will be the reaction of the members of Parliament from French-speaking Canada?"

Bills Outline Quebec Plan For Power

Duplessis Promises Fair Treatment for All Under New Policy

"NO REVOLUTION"

From Our Own Correspondent

QUEBEC.—Investigation of electricity rates in Montreal, Quebec and other centres of the province, together with establishment of provincial power plants, are planned by the provincial government for the near future, according to Premier Duplessis, who has announced two additional electricity bills for the near future, in addition to the one which is now before the House.

An investigating committee consisting of five members, who will be empowered to examine books, summon witnesses, and lower rates where possible, will be provided for by one of the bills. This committee will start its investigations in Montreal, Quebec and the Lower St. Lawrence, and will cover the entire Province, wherever there are complaints.

Another bill, which has not yet reached the House, provides for taking over necessary water powers, by the cheapest yet most efficacious means, to provide power and establish solid bases for provincial competition to private companies. This will be applied primarily to unexploited waterpower, it is understood.

Municipal Systems

The third bill, which was distributed in the House last week, authorizes all municipalities in the province to municipalize their electricity systems, or to expropriate existing private companies.

This bill (No. 17) enables all municipal corporations to municipalize electricity for lighting, heating and power purposes, within their territorial limits.

County councils have the same power.

Every municipal corporation wishing to avail itself of this act must adopt a by-law in which is set forth the undertaking and provide for the method of payment of the latter.

The by-law must be submitted to the elector-proprietors of the municipality, who are called upon to vote by secret ballot upon the advisability of the merger. No other approval than that of the elector-proprietors is required.

The bill further provides that producers, vendors or distributors of electricity and holding companies have not the right to vote on the by-law. Other corporations or firms vote only proportionately to the taxes paid by them.

It is provided in the bill that the rates fixed by a municipality for its electricity must be sufficient to cover the interest and sinking fund of the debt contracted for the establishment of the service, the cost of operation and maintenance, and for deterioration and losses in revenue.

It is understood the bill does not differ radically from legislation previously in force.

Opposition Battle

Both the official Opposition, and what is termed the "Disguised Opposition" (the latter consisting of Messrs. Drouin, Hamel and Chaloult, together with J. E. Gregoire), have trained their heavy guns on the measure, and ridiculed it as being all very well in theory, but useless from a practical point of view. Dr. Hamel, who, as member for Quebec Centre, is what is termed the "electricity champion," is of the opinion that as the bill now stands, if a municipality wants to municipalize or expropriate for electricity, it would have to expropriate the entire power company. Thus, if Quebec City wanted to municipalize electricity, it would have to expropriate the Quebec Power Co., while if Montreal wanted to municipalize, it would have to expropriate Montreal Power.

Duplessis's View

In commenting on the two future bills, Premier Duplessis said:

"We will institute an organization which will develop, produce and distribute, in divers centres of the province, by taking over in the most inexpensive manner, but also in the most efficacious way, water powers necessary for this distribution of electricity. We will thus establish solid bases for public competition against private interests.

"We simply want justice for everybody. No sabotage, no commotion, no revolution. When we have to repair damage that has been going on for 40 years, we have to proceed cautiously.

"We will not allow any company to impose acts which conflict with our legislation, but we will not, on the other hand, support undeveloped proceedings. We will be energetic and firm, but at the same time will not lose our heads over the claim that we have insufficient power. We want to do everything that is fair."

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Part and parcel of Canada's progress since the early days when business was done by barter.

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End of Strike Eases Tension of Campaign By C.I.O. in Canada

(Continued from page 1)

would indicate that he will continue to combat such C.I.O. ambitions. And, of course, he remains ready to suppress promptly any outbreak of sit-down strikes or other deviations from orderly procedure, such as have discredited C.I.O. in the United States.

Industrialists appear curious, however, as to whether the Premier will stay his hand should Canadian C.I.O. unionists adhere to orderly methods, and prove willing to remain within the bounds of the Oshawa pact basis in seeking agreements with employers. Considerable interest has been stirred by Mr. Hepburn's hint that he might set up a union licensing plan to strip C.I.O. operations of such freedom as they may now enjoy.

Protect Industry

For the time being, the Ontario Premier is adhering to his basic resolution to protect Canadian industry as far as he can from the disruption and dictatorship whch he fears from extension of C.I.O. influence in Canada. The methods adopted will be determined largely by future developments, he intimated to The Financial Post.

Hugh Thompson, top ranking C.I.O. agent in Canada, now states, however, that he intends to do all he can to prevent sit-down strikes in this country.

While Thompson plans to continue to operate in close conjunction with the United Automobile Workers, C.I.O. affiliate, he is commissioned as organizer directly by the C.I.O. itself. His commission applies especially to automobile workers and those in allied industries. But he also carries authority as organizer for the Steel Workers Organizing Committee, C.I.O. auxiliary, and is free to give what assistance he can to stimulate organization in all fields in which the C.I.O. unions are conducting intensive drives for new strength.

Future policy of the C.I.O. bid for extended membership in Canada calls for use of Canadian organizing agents as far as possible, The Post is told. Thompson will establish headquarters in Buffalo, entering Canada to address union meetings or give other assistance as requested. The attempted organization of workers in auto plants other than General Motors and in supply industries will be initiated by outside agents from Detroit, and later turned over to Canadians after they have been scheduled as organizers.

C.I.O. officials do not regard the agreement which settled the General Motors strike at Oshawa as a satisfactory formula for future agreements which may be sought between companies and groups of C.I.O. unionized workers. The avoidance of a direct deal with the union as an organization was accepted in order to break the deadlock, it is pointed out, but the demand for definite union recognition will be pressed with renewed insistence in future.

Tentative plans call for organization work among auto supply plant workers in eastern Ontario to be undertaken by C. H. Millard, president of the Oshawa local of the auto union. Operations in Western Ontario will be carried out by zones, and initiated by two or more union agents from Detroit headquarters. First objectives are said to include the Chrysler and Hudson plants in Windsor and Tilbury, and 80 auto parts or supply plants in Toronto, Chatham, Merritton and other communities.

There is also a possibility that the C.I.O. machine will shortly be brought into play to give impetus to the campaign of the C.I.O. metal miners union in Northern Ontario. Thompson has tentatively accepted an invitation to address several meetings of mine workers already unionized.

See also page 12

Vulcan Oils Ltd.

Notice is hereby given that a dividend of FIVE CENTS (5c) per share has been declared on the issued Capital stock of the Company payable on the 15th day of June, 1937, to shareholders of record at the close of business June 1st, 1937.

The books of the company will be closed from the 1st day of June, 1937, to the 15th day of June, 1937, both days inclusive.

A. J. FLOOD.
Secretary-Treasurer.

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in the May issue
THE CANADIAN CHARTERED ACCOUNTANT

The Public Accounts of Canada
Advertising Agency Accounting
The Valuation of the World's Stocks of Gold Bullion
Financial Records and Statements of Life Insurance Companies
Personal Income Taxes and Succession Duties in Canada, Great Britain and the United States
Some Recent Dominion Legislation

Published monthly, $2.00 per annum. Subscription open to all. Sample copy sent on request. A. H. Carr, Editor, 10 Adelaide Street East, Toronto.

How to Win Friends and Influence People* —

We cannot guarantee "Six Ways to Make People Like You" . . . or even "Seven Rules for Making Your Home Life Happier", but — we CAN assure you of being smartly turned-out this Spring! With a suit and topcoat and a few accessories from SIMPSON'S — you'll be credited for knowing what is what in men's wear. And, if favorable impressions will help make your hardest customer *come through* with a large order . . . or "the Chief" a worthwhile raise . . . come into The Store for Men today!

A—"Harris Tweed" topcoats, the genuine article, smartly tailored in dashing English styles, at $25.

B—"Park Lane" suits were recently introduced, and already hundreds have been sold, at 28.50.

C—"Sea Island" raincoats are wind-and-showerproof. Tailored right in England, at $25.

*With salutations to Mr. Dale Carnegie whose book is being so widely read. In SIMPSON'S Book Department, at $2.

Simpson's

Profit Possibilities for Investors 7.

Balance of Stocks With Bonds Advisable for Average Investor

Present Conditions Justify Holding Larger Proportion of Equity Type Securities; But Liquid Securities Also Essential

By C. W. STOLLERY

Investment is an inexact science in the practice of which nearly everyone is likely to make a good many mistakes even in a period of economic prosperity. Moreover, the problems of most investors are distinctly personal, depending largely upon the circumstances of the individual or his responsibilities to others.

Consequently it is next to impossible to prescribe rigid rules for investment even in a period of prosperity when it is easier than in depression to improve income or to increase capital values. Probably the best that can be done is to suggest general principles; and even generalizations are subject to modification with changing economic conditions.

Considering the possibilities for further economic recovery over the next two or three years, most authorities make suggestions such as these:

1. It is justifiable to hold a larger proportion of common shares and other equity-type securities for the present;

2. Possibilities of increasing income or capital lie chiefly in common shares or depreciated bonds and preferred stocks;

3. Even though there are no prospects of increased income or value in prime bonds, most investors should continue to hold at least part of their funds in such issues to provide liquid capital in case of need.

Some of the variations among investment problems are ilustrated by the case of a doctor practising in western Canada who describes his position in these words:

"I am 45 years old. I wasted practically 10 years of my life, from a financial standpoint, gambling in wheat, mining and oil stocks. However, I own a house, $10,000 in Dominion Government bonds, and have $40,000 life insurance well on the way to maturity. Two policies come due within two years. I expect to practise actively for 10 years longer. Now I have $2,000 to invest, and I shall have more from time to time. Can you outline an investment programme for me?"

Swing of the Pendulum

The circumstances point to a swing of the pendulum from speculation to the most conservative investment policies. Present day circumstances suggest that at least part of the doctor's new money could well be devoted to investment in common shares, or in depreciated securities that have good possibilities under conditions of prosperity. If, however, such a policy were prescribed as an investment programme, it might be found sorely wanting when another depression comes.

One of the easiest ways of dealing with this sort of problem would be to take advantage of annuity options extended under the insurance policies. By allowing matured policies to accumulate for 10 years under a deferred annuity plan it would be possible to obtain substantial income later.

It would seem the part of wisdom to retain the Dominion bonds for purposes of liquidity in case of unforeseen contingencies.

For successful investment of new savings, the doctor may depend for his advice partly upon his bank, some reliable security dealer, and upon sources of information in The Financial Post. In the final analysis, however, he will have to use his own judgment on the selection of individual securities. One way to make a start would be to select and to buy a few corporation securities in small quantities.

Possible Compromise

Without taking undue risks, the conservative investor who has new funds becoming available for investment can reach a compromise between fixed income securities and common stocks.

There are several ways of doing it. The doctor, for instance, could buy C.P.R. convertible 3% bonds which would give him a call on common shares at $25 each. Or he could buy preferred shares on which arrears are being settled with equity securities. Such issues as Simpsons, Dominion Tar and International Paper & Power preferred, as sketched in these articles are to carry fixed income exceeding 4½% on present prices plus common shares in settlement of dividend arrears.

Another avenue of compromise is in such bonds as Consolidated Paper 5½'s of 1961 accompanied by common shares issued in settlement of interest up to 1939. Non-paying preferred shares with substantial dividend arrears may also prove satisfactory holdings in view of prospects of further economic improvement. Leading issues of this kind include General Steel Wares 7% preferred with $42 arrears per share, International Metal 6% preference with arrears of about $30 a share and Massey-Harris 5% preferred with over $30 a share of accumulated arrears.

Equity Compensation

Like such issues as Dominion Tar, Simpsons and I. P. & P. preferred, these "arrears stocks" stand to receive equity compensations of some sort in settlement of back dividends. The possibility is therefore that the holder will have a fixed income security, with an equity interest "thrown in," giving the dual possibility cf stable income and increased capital value. If all went well, there would be a choice of liquidation of common shares to reduce the net cost of preferred stock, or the liquidation of both preferred stock and the arrears compensation to consolidate the proceeds in prime bonds.

The possibility of compromise between fixed income securities and equity interests illustrates the main investment problem today: maintenance of income and liquidity coupled with the possibility of capitalizing on prosperity.

The solution of this conundrum may be found by dividing the investment fund equally between the most liquid types of bonds and select common shares. The chief criticism of such a policy is the important one that the income might be inadequate under present low interest rates which have been reflected in the small returns on the leading stocks. For the ordinary investor who finds it essential to maintain a reasonable rate of income, therefore, it is necessary to include in the investment list some intermediate types of bonds and preferred shares to maintain income.

A Balanced Portfolio

Illustrative of the types of securities that may be used to meet these problems which face many investors is the following hypothetical portfolio:

Illustrative Portfolio

Amount	Issues	Yield
$2,000	Dominion, 2½%, '43	2.3%
	C. N. R., 3%, '44	2.7%
	N. Scotia, 3%, '45	3.3%
	Ont. Hydro, 3½%, '47	3.3%
	C. P. R. conv., 3%, '45	3.1%
$2,000	Massey-H., 5%, '47	4.9%
	Calgary Pwr., 5%, '55	5.1%
	Gt. L. Paper, 5%, '55	5.3%
	Winn. Elec., 4-5%, '65	6.2%
	L. St. John Inc., 5%	6.3%
5 shares	*Simpsons, pfd.	4.9%
5 shares	*Dom. Tar, pfd.	4.9%
5 shares	*Int. Paper & Pwr., pfd.	4.5%
30 shares	Int. Petroleum	6.8%
10 shares	Goodyear Tire	†5.7%
25 shares	Can. Celanese	5.8%
50 shares	C. Gen. Inv'ts.	4.5%
25 shares	Beatty Bros., A	....
25 shares	Int. Metal, A	....

*With common shares. †Including bonus.
Approximate cost, $9,600; income $427.50.

Profit Possibilities

An average yield of over 4.4% is derived from such a division of the investment fund. Substitutions and additions to the list could be made from the numerous securities discussed in the preceding articles of this series. For instance, such shares as Imperial Oil, Ford of Canada or Shawinigan could be substituted for International Petroleum and Goodyear Tire, but would reduce income at present. A wide variety of 4%, 4¼% or 4½% bonds could be substituted in the secondary hand group, but also with some reduction in income.

It would perhaps be desirable for the bond holdings to be confined entirely to the most liquid types listed in the first bracket. The secondary types of bonds in the second group are included largely for purposes of increasing income. This means some addition to risk and less liquidity than in the first named group of bonds.

The three preferred stocks illustrate the type of combination of fixed income under recapitalization proposals with an interest in equity securities. Simpsons preferred is to carry one-half share class A and one-half class B common. Dominion Tar preferred includes two common shares in its total value. International Paper & Power preferred is to carry with it one common share and is also to be convertible into common stock 2½ shares for one preferred.

Among the many types of common shares, International Petroleum, Goodyear, Canadian Celanese and Canadian General Investments are not of the types most likely to have pronounced swings in price. However, they return substantial yields and all are in good financial position.

The two non-paying stocks, Beatty Bros. and International Metal class A shares, represent the more speculative types of common share investments.

The division of the fund in this sort of portfolio is about 20% each in liquid bonds and lesser bonds for income purposes; nearly 20% in dual-feature preferred stccks and something less than 40% in common shares.

Capitalizing on Prosperity

The very fact that income is an important consideration for most investors may indicate that the securities they buy do not offer the maximum possiblities of capitalizing on prosperity. That is partially true of this hypothetical list. The securities that may get the greater benefit from further economic recovery may be considerably different from those that have had the most pronounced improvement so far. In fact, inferior types of common shares may show the most proportionate improvement in the final stages of recovery.

Already rising costs and prices have been cutting into earnings of companies in more stable industries. The rising cost of living tends to reduce buying power of the dollar income from fixed-income securities. Under these conditions, the investor may reap the largest capital profits who stakes his money largely on industrials that remain heavily depressed like construction and agriculture. The average investor, however, will do well to balance the possibilities of loss with possibilities of profit, without taking the risks of the stock market gambler.

Just now the stock market is in a period of weakness. It may last several weeks longer. For the ordinary long-range investor, however, the important consideration is that full prosperity does not yet appear to have been reached and that it seems more likely than not that equity-type investments will improve further.

This concludes the series of articles which started in The Financial Post for March 20.

C. N. R. Awards Car Contract

From Our Own Correspondent

MONTREAL.—Canadian Car and Foundry Co. has received a contract from the Canadian National Railways for 50 air-conditioned first-class coaches for main line service. Construction of these new cars will be started immediately and a number of them will be in service this summer.

The amount of business received by Canadian Car from the C.N.R. this year is valued at around $6.5 millions and covers 1,000 box cars, 58 flat cars, 50 first-class passenger cars and 10 mail and express cars.

EXECUTORS' SALE BY TENDER

We are directed by will to offer for sale by tender

WALYNGTON TROUT PRESERVE

About 70 Miles North-West of Toronto, Ont.
the property of the late
L. C. A. Strother

ADMIRABLY suited for private use or club purposes, this beautiful estate comprises some 80 acres, of which about 20 acres are a lake, ponds and strong-running streams, said to be well stocked with speckled brook trout. It is considered by well-known anglers to be one of the finest trout preserves in Ontario. Modern residence has thirteen rooms and four bathrooms, and commands a lovely view of the lake and wooded countryside. Other buildings include stable for eight horses; garage to accommodate eight cars; two trout hatchery buildings and house for overseer.

Sealed tenders marked "Tender for Walyngton Trout Preserve" should be mailed to National Trust Company, Limited, 20 King Street East, Toronto, and will be opened on Saturday, the 22nd day of May, 1937. All tenders must be accompanied by marked cheque for not less than 10% of the amount of the tender; the highest or any tender not necessarily accepted. Terms and conditions of sale may be obtained upon application to National Trust Company, Limited.

Descriptive folder, legal description of the property, and blue-print showing approximate location and area, and any further information may be obtained on request to National Trust Company, Limited.

NATIONAL TRUST COMPANY, LIMITED
and
J. W. PICKUP, K.C.
Executors and Trustees

20 King Street E. - Toronto, Ontario

Social Credit Paper Earns Small Profit

Deficiency of $578,974 in Working Capital Shown

OWES ON PURCHASE

Albertan Publishers Ltd., newspaper venture sponsored by William Aberhart, Premier of Alberta, reports a profit of $3,160 for the period ended Dec. 31, 1936, but has a deficiency of $528,310 in working capital.

Shares of the company were offered to investors slightly over a year ago and Mr. Aberhart himself has urged people to buy them.

Formed in December, 1935, to take over publication of the Calgary Albertan as an organ of the Social Credit Government, Albertan Publishers Ltd. shows $578,974 as still owing under contract to buy the paper from Albertan Publishing Co.

The newspaper remains under control of Albertan Publishing Co. until Albertan Publishers Ltd. has paid the purchase price which was $600,000. Most of this is still owing as shown by the balance sheet.

The financial statement as at Dec. 31, 1936, shows "prosperity certificates" for $42 included in current assets.

Under 82 Cents a Share

There were 3,864 preferred shares of $25 each outstanding at the close of 1936, for an amount of $96,600. The profit for the period amounted to slightly less than 82 cents a share on the preferred. Outstanding common shares numbered 62,927.

A dividend of 5% on the $25 preferred shares was paid Jan. 1, 1937, according to official notice. This would be $1.25 a share, or a total of $4,830 for a full year on the outstanding preferred. As this amount would exceed the profit and loss balance of $2,510 shown in the balance sheet at Dec. 31, 1936, it appears that the dividend did not apply for a full year. Like the financial statement, the dividend was "for the period ending Dec. 31, 1936," apparently less than 12 months.

Some 15 shareholders attended the recent annual meeting of Albertan Publishers Ltd. and re-elected Gordon Bell as president, Charles R. Pearce as vice-president and O. C. Arnott as secretary of the company. Directors were also re-elected. G. Max Bell remains general manager of the newspaper.

As chairman of the meeting, Gordon Bell stated that sale of shares in Albertan Publishers Ltd. was influenced adversely by drought in Aberta last year.

O. C. Arnott informed the meeting that all shares had been issued and paid in cash or other good consideration.

Financial results were as follows:

Profit and Loss Account
Period ended Dec. 31 1936

	$
Revenue:	
Circulation	127,598
Display and foreign advertising	96,983
Classified advertising	19,564
Miscellaneous	9,185
Rents	2,940
Radio department	17,265
Job department	74,048
Telephone book contract	3,983
Total	351,566
Less expenses:	
Classified department	6,559
Circulation	38,706
Mailing room	24,954
Display & foreign advertising	15,118
Editorial	40,503
Printing costs	98,889
Radio department	14,879
Job department	53,714
General office & adminis.	28,137
Building maintenance	9,197
	330,656
Bad debts reserve:	
Newspaper	3,463
Job department	2,083
	5,546
Other deductions:	
Depreciation: Buildings	3,545
General equipment	7,144
Job department	1,115
Interest, discount & exchange	400
	12,204
Total expenses and deductions	348,406
Profit for period	3,160
Less: Loss on auto. traded	402
Discounts allowed	428
Adjusts. re route boys' bags	21
Add: Profit on circulation patterns	107
Miscel. adjustments	94
Surplus forward	2,510

Working Capital Position

Current assets:	
Cash on hand and in bank	6,825
Prosperity certificates	42
Accounts receivable	47,513
Inventories	15,865
Total current assets	70,245
Current liabilities:	
Trade accounts payable	18,775
Albertan Publishing Co., current	806
Albertan Pub. Co., contract acct.	*578,974
Total current liabilities	598,555
Working capital deficiency	528,310

*Balance of purchase price of Calgary Albertan which remains property of Albertan Publishing Co. until paid for by Albertan Publishers Ltd.

Bathurst Power Shows Progress

President Outlines Improvement at Shareholders' Meeting

From Our Own Correspondent

MONTREAL.—Bathurst Power and Paper Co. looks forward to a progressive improvement in this and future years, according to a statement made by R. L. Weldon, president, to the shareholders at the annual meeting.

Certain operations which were undertaken during 1936, he said, are now contributing materially toward the company's welfare and progress. The cylinder machine which produces boxboard is operating satisfactorily and its operations are being reflected favorably in the earnings of the company.

Start Newsprint Machine

The newsprint machine which has a capacity of 78 tons a day went into operation last week and the company is now manufacturing and shipping newsprint, for the first time in five years. With this machine in operation, the company is now operating all of its producing units, including boxboard, kraft liner board, newsprint and sulphite pulp.

Addition of R. A. Thomson and S. B. Bond brought the board up to nine members in accordance with the change in the by-law approved by the shareholders.

Tamblyn Ltd. Profits Rise

Earnings For First Three Months Jump 2½ Times

Profits of G. Tamblyn Ltd. increased approximately 2½ times in the first quarter of 1937, compared with the corresponding period of 1936. Profits for the period amounted to $41,406 as compared with $16,614 in the first three months of 1936.

Sales for the period increased by $29,021 to $923,225.

The marked improvement in profits is largely due to the fact that profits in the first quarter of 1936 were adversely affected by conditions in the trade which made it impossible for the company to adjust retail prices so as to absorb an increase in sales tax.

Unaudited earnings for the 12 months ended March 31, 1937, amounted to $143,438. After making provision for preferred dividends this is equivalent to $1.14 a share on the common stock. Earnings in the fiscal year ended Dec. 31, 1936, amounted to 92 cents a share on the common stock.

Algoma Cons. Plan Adopted

Large Part of Company's Assets Will be Distributed

Holders of the 5% cumulative income debentures of Algom Consolidated Corp. have accepted a proposal for settlement of the company's liability by a distribution of certain assets on a pro rata basis.

Debenture holders, at a meeting in London, approved a proposal whereby the company will, as of March 31, 1937, transfer to the trustee all assets other than $96,878 in cash, 8,889 shares of Northern Ontario Land Corp., the second mortgage bonds of the Algoma Central and Hudson Bay Railway Co., and the bonds of the old Algoma Steel Corp. held by the company. The transfer of these assets is to be in full satisfaction of the liability of the company in connection with the debenture stock.

The entire issue of $318,800 of second mortgage bonds of Algoma Central Railway Co. which is held by Algoma Consolidated is to be surrendered for cancellation.

Basis of Distribution

Assets to be received by debenture holders consist largely of bonds and common stock of Algoma Central Railway. The distribution will be as follows:

(1) $4,123,400 of 5% first mortgage income debentures of the Algoma Central Railway will be distributed on the basis of $40 of Algoma Central bonds for each $30 of Algoma Consolidated debentures held.

(2) 214,445 trust shares in the voting trust of Algoma Central common stock will be distributed on a pro rata basis which is equivalent to about 69.34 shares each $1,000 Algoma Consolidated debenture held.

(3) Remaining assets, after payment of expenses, will be distributed in one or more payments as the trustee may deem advisable.

Acceptance of this proposal will make possible a continuance of the company and some hope of a small distribution to shareholders. Share capital of the company consists of 384,391 shares of 7% preferred stock, par value $5, and 584,391 shares of common stock.

National Biscuit Earns 35c a Share in Quarter

Net profits of National Biscuit Co. for the three months ended March 31, 1937, were $2,538,757 after depreciation, income taxes and other charges, but before calculating surtax on undistributed profits. The quarter's earnings amount to 35 cents a share, after providing for preferred dividends, compared with 39 cents a share in the third quarter of 1936.

For the full year, 1936, the company had earnings equivalent to $1.73 a share on the common stock, compared with $1.31 a share in 1935. The annual dividend rate has been maintained at $1.60 a share since 1935.

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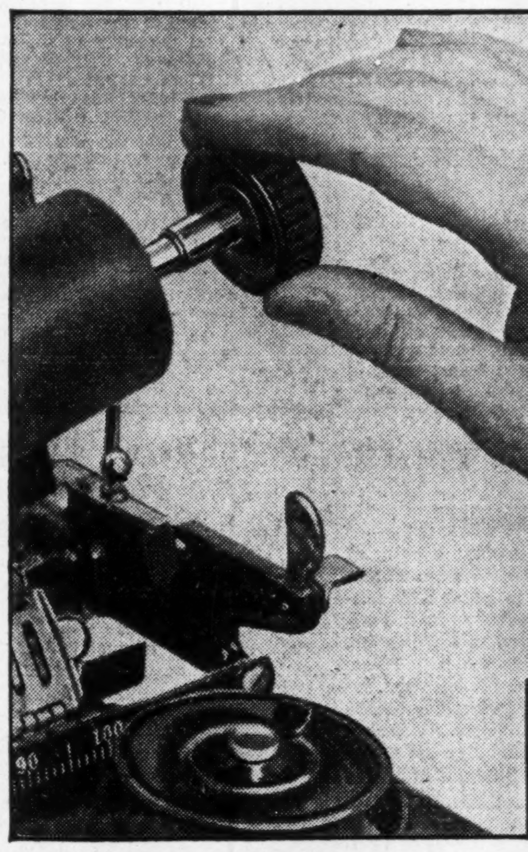

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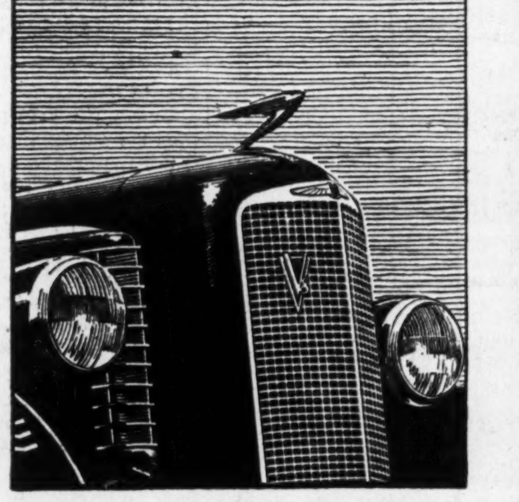

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Investment Trends

End of Stock Slump Not Yet Established

Decline of Prices Offsets Advance of Past Year But Question Remains Whether it Will Extend Further Before Recovery

Analyses of the downward movement of share prices under the Dow theory of interpretation suggest that the decline is a normal temporary relapse and a natural reaction following the sustained rise of the past two years.

There is still a possibility of further decline over the weeks immediately ahead, according to market analysts, before resumption of a rising price trend. The recession has not wiped out, but appears to have offset, the rise of prices from April, 1936, to March, 1937. The important question regarding the trend of prices over the weeks ahead is whether the decline will continue until there has been a full offset to the advance since March, 1935.

Until there are more definite indications that the decline of prices has been completed, common shares may not be in a buying range. But investment advisers comment that the risks of buying are less than those in selling because of the potentialities for further economic recovery.

Continued rumors of reduction in the U.S. buying price for gold may be largely a reflection of nervousness in financial markets.

Market Movements

Stock prices move in zig-zags both upward and downward. The present trend is a downward zig-zag. It marks a reversal of the rise of prices from April, 1936, to early March, 1937. The current period of weakness has not yet given indication of a reversal of the major long-term rise which has been in progress since 1932.

Since Canadian stock prices are influenced strongly by the price trend in Wall Street, it is necessary to consider the New York market movements to get a picture of Toronto and Montreal markets. The Dow-Jones average for New York industrial shares reached a high of 194.4 early in March. Since then, there has been a maximum decline of over 20 points. If evidence of resistance to further decline is shown around 170, it may mark the termination of the slump. Until such evidence appears, however, there remains a possibility of further decline to somewhere around the level 155-160.

The Toronto Stock Exchange index for industrial shares has also dropped over 20 points from the 1937 high of 187.7, and its movements have been closely related to those of New York industrial averages.

The Montreal Stock Exchange index for industrial shares has had a maximum decline of about 15 points from this year's high of 122.2. It, too, has followed the New York price trend fairly closely.

Evidence of termination of the decline would normally be expected to be shown by smaller volume of trading in periods of market weakness and by establishment of definite points of resistance.

Long-term Influences

The decline of stocks may have forestalled measures by the U.S. Government to slacken the pace of recovery and speculation. In this respect the period of weakness may be a blessing in disguise.

Basically, economic influences appear favorable to expansion of the business recovery into prosperity. They may be summarized as follows:

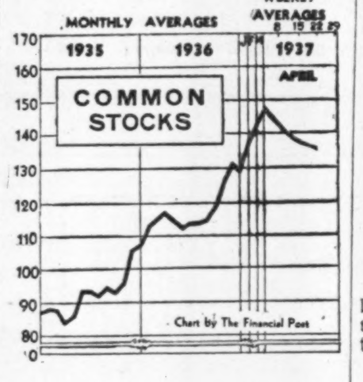
1. The halt in the rise of commodity prices tends to avert the possibility of excessive increases in industrial costs and prices to consumers.

2. The net rise of commodities is still sufficient to provide a major increase in income of primary producers allowing continuation of rising business volume.

3. There is a plentiful supply of credit despite restrictive measures in the United States and this, coupled with government deficits, is still an inflationary influence.

4. Actual and potential demand for new capital equipment, buildings, machinery, and the like, which developed in the depression, has not yet been satisfied.

These are major reasons for believing that the incipient period of prosperity has not come to an end but rather that it may last for some time. The deduction is that prices for industrial stocks are in a temporary rather than a long-range decline.



LOW POINTS

Common stock price index of the Dominion Bureau dropped to 135.7 for the week ended April 22, compared with 116.2 for the corresponding week a year ago. Prices dropped to lower levels in the last week of April. Indices appear on this page.

Farm Implements

It is estimated that the backlog of requirements for new farm implements has risen to about $200 millions in the depression years in agriculture. In addition to this market, improved farm income may re-establish the normal replacement demand which was formerly over $50 millions annually. These big figures compare with 1936 sales estimated at less than $25 millions for Canada.

With dollar wheat, even moderate crops should therefore mean substantial increases in domestic business for such firms as Massey-Harris, Cockshutt Plow and Beatty Bros. and many other firms affected less directly by rural income. This year's Canadian business depends largely upon crops, but exports of farm implements have already shown sharp increases.

Southern Pine

It appears difficult to avoid opinions based on wishful thinking in connection with the possibilities of making paper from southern pine in the United States. The fast growing southern pine is already used to make kraft and similar types of paper. Whether it will eventually be the big source of newsprint for American papers is the debatable point of intense interest for long-term investors in Canadian paper shares.

It does not appear healthy that many American publishers are annoyed by the rise of newsprint to $50 a ton for the first half of 1938. The cry has been raised once more that southern pine will be used to make newsprint paper and put an end to Canadian dominance in supplying this basic material for American newspapers.

Many U. S. publishers have important interests in Canadian newsprint firms, such as Spruce Falls and Ontario Paper. This indicates that Canada is still regarded as an essential source of supplies of paper and that southern pine is still nebulous for newsprint purposes. On the other hand, southern pine has become increasingly important in the kraft operations of International Paper & Power firms, and if it were economical for newsprint purposes there is little doubt that U.S. interests now operating in Canada would turn south.

It does not seem likely that southern pine will become an immediate threat to the Canadian newsprint industry. But substantially higher prices for paper, and depletion of Canadian wood without adequate reforestration, make it more of a possibility in future years.

Steel of Canada Plant at Capacity

Increased Efficiency Makes For Higher Profits

The increase in profits of Steel Co. of Canada in 1936 was due to a greater volume of sales, better efficiency and benefits derived from improved equipment installed during the depression, Ross H. McMaster, president, told the annual meeting of shareholders.

Mr. McMaster outlined the company's expansion programme and laid stress on the fact that important changes in steel equipment require the maintenance of a strong liquid position. Depreciation provision must also be substantial, he said, if plant facilities are to be kept abreast of modern developments.

Plant Expanded

The 44-inch blooming mill, soaking pits and accessories combined with the 150-ton open hearth furnace on which construction was commenced in December last, will involve an expenditure of $4 to $5 millions. Full advantage of the increased capacity will not be derived until finishing capacity can be expended as demands of the market may require.

Steel Prices Rise

Referring to the advances in steel prices since the first of the year Mr. McMaster stated: "All cost factors have advanced with a rapidity which has made it difficult to parallel the added costs of production with increases in prices, keeping in mind the desirability and necessity of maintaining values which will not fail to encourage consumption."

Glyn Osler, K.C., Toronto, has been elected to the board of directors to fill the vacancy created by the death of Hon. Smeaton White.

New Directors

Two new members were appointed to the board of directors of Crane Limited at the annual meeting held this month. They are Frederick T. Collins, member of the legal firm of Meredith, Holden, Heward and Holden, Montreal, and J. E. Gillespie, assistant treaasurer of Crane Ltd.

Fish Concern Offers Stock

Preferred Shares Carry Bonus of Common Stock

Eastern Securities Co., Saint John investment firm, is making a public offering of 5,000 shares, par $100 of 6% cumulative redeemable preference stock, and 5,000 no par value common shares, of Maritime-National Fish (1937) Ltd. The offering is being made in units of one preference share and one common share priced at $100 a unit.

The company controls National Fish Co. and Maritime Fish Corp. and their subsidiaries.

Large Fresh Fish Operator

Plants are operated at Digby and Halifax, N.S., the company being the largest operating in the Nova Scotia fresh fish business. Between 40% and 50% of the province's fresh fish business is handled by the company and its subsidiaries. Products are distributed in Canada, United States, Great Britain and Europe. It is stated that the company's output of salmon, mostly sold in England, is limited only by the amount it can procure.

Sales Increase

Sales for the year ended April 30, 1936, amounted to $1,685,000. In the first 10 months of the current fiscal year sales increased 8%. Profits for the current year before depreciation and income tax will amount to $100,000, it is estimated. Annual dividend requirements on the preferred stock are $30,000.

Total tangible assets are shown by the balance sheet at $759,386. Working capital amounts to $245,000 and no dividends can be paid on the common stock which will reduce working capital below $225,000.

The preferred stock is callable at 103, and a sinking fund for its retirement of 3% per annum is to be provided, commencing in 1938.

The company has an authorized capitalization of $500,000 of 6% preferred stock and 50,000 shares of common stock, all of which will be outstanding.

Investment Notes

International Bronze Powders—Earnings of this company last year were well ahead of 1935. The profit and loss statement shows that $51,000, representing commission on preferred stock, and $100,456 for goodwill and $9,780 for patent rights, were written off against the profit and loss account. Before these deductions, the company earned $4.04 a share on 100,000 shares of preferred, as against $4.16 on 83,000 shares in 1935.

* * *

B. C. Pulp—Plans of Japanese interests to build a rayon pulp mill in Manchukuo may affect export sales of B. C. Pulp. At one time Japan was an important outlet for the company's pulp, but the market's importance has lessened in recent years.

* * *

Short Sales—There appears to be little doubt that if there were a larger body of short sellers in Canadian stock markets, there would be better buying in periods of weakness.

* * *

Thousand Islands Bridge — An offering of $2.8 millions of bridge revenue 4¼% bonds of this corporation is being made by a New York syndicate headed by B. J. Van Ingen & Co. The bonds are not a mortgage on the bridge itself but rather are secured by all tolls and other revenues of the project. Investors may do well to keep in mind that previous experience with toll-bridge bonds has not been favorable.

* * *

B. A. Oil—In addition to some 9,900 registered shareholders, President A. L. Ellsworth estimates that there are 8,000 holders of bearer certificates.

* * *

English Electric—Sale of 10,000 class A and 10,000 class B shares for $400,000 is a good method of raising capital without creating fixed charges. The profit of some $56,000 for 1936 leaves a small deficit which should be eliminated this year, judging by the increased orders on hand.

* * *

Wright-Hargreaves — Carriers & General Corp., U.S. investing firm, reports that it disposed of all its 2,000 shares of Wright-Hargreaves in the first quarter of this year.

* * *

Portfolio Changes—A complete list of the holding of **Consolidated Diversified Standard Securities Ltd.,** Montreal investing firm, is made public annually. Among the changes in 1936 of particular interest to Canadian investors are these:

Int. Hydro-Electric System—Increase of the holdings of 6% debentures from $61,000 to $100,000.

Massey-Harris—Increase of holdings of preferred from 100 to 200 shares; no change in common.

Bathurst Power & Paper—Increase from 100 to 700 shares in holdings of class A stock.

Brazilian Traction—Acquisition of 500 shares; none held in 1935.

Can. Industrial Alcohol—Reduction of holding from 200 to 100 shares.

Canadian Wallpaper—Purchase of 50 class A and 50 class B shares.

Cons. Mining & Smelting—Purchase of 50 shares.

Dominion Stores—Increased holding from 1,900 to 2,300 shares.

Donnacona—Bought 200 shares.

Foundation Co. of Canada—Acquired 100 shares.

Gypsum, Lime—Increased holding from 100 to 700 shares.

O'Brien Gold—Acquired 500 shares.

Royalite Oil—Holding 500 shares; none in 1935.

Among the securities eliminated from the portfolio were: 100 Canada Cement preferred; 100 Canadian Car & Foundry preferred; 400 St. Lawrence Corp. A; 100 Asbestos Corp.; 100 Canada & Dominion Sugar; 1,400 Canada Dry Ginger Ale; 100 Canada Malting; 175 Canadian Car & Foundry common; 100 C.P.R.; 50 National Steel Car; 50 Quebec Power common; 100 Sherwin-Williams.

Favorable Trend For Newsprint

From Our Own Correspondent

MONTREAL. — Factors bearing upon the newsprint situation in the United States continue along favorable lines, judged by a compilation prepared by the American Newspaper Publishers Association. During the first quarter of 1937, North American production increased 19.1% over the same period a year ago. At the same time United States newsprint imports recorded a relatively heavy increase, while the consumption of paper by 431 leading newspapers was up 10.1%.

Following is the A.N.P.A. statistical compilation for the first quarter of 1937, with comparative figures for 1936:

(Quarter Ended March)
In Tons

Newsprint Production

	1937	1936	% Inc.
Canada	863,633	692,956	24.6
United States	234,010	228,085	2.6
Newfoundland	88,382	74,395	18.8
North America	1,186,025	995,436	19.1

U. S. Newsprint Imports
(January-February)

	1937	1936	% Inc.
Canada	393,611	295,762	33.1
Overseas	38,193	35,995	6.1
Newfoundland	11,311	5,680	99.1

Consumption in U. S.
(Quarter Ended March)

	1937	1936	% Inc.
431 leading newspapers	757,110	687,349	10.1

Advertising
(Quarter Ended March)

	1937	1936	% Inc.
52 major cities (million agate lines).	328.8	302.5	8.7

Montreal Tramways Co. Revenue Up This Year

From Our Own Correspondent

MONTREAL.—Revenues of Montreal Tramways Co. so far this year have been running from 2% to 3% higher than in 1936, according to a statement made by Julian C. Smith, president, at the annual meeting of shareholders.

Referring to the trackless trolley buses, Mr. Smith said they were proving fairly successful but that this type of transportation was still in its experimental stage.

Loblaw Inc. Shareholders Approve Dividend Plan

Shareholders of Loblaw Groceterias Inc., which operates a chain of 81 stores in the United States, have approved the plan of refinancing for the preferred stock under which arrears of dividend to April 30, 1929, equivalent to $8.50 a share, are to be paid. Payment is being made immediately to shareholders of record April 21.

Under the plan, as approved, the old 7% preference stock of the company is to be exchanged for new no par value preferred stock bearing a $7 annual dividend. The new stock will be carried in the books at not more than $60 a share, thus creating a capital surplus which is being used to wipe out the deficit.

The Canadian company, Loblaw Groceterias Co. Ltd., owns 2,841 shares of preferred out of 31,851 shares outstanding. Its share of the arrears distribution will amount to $24,148.

Loblaw Groceterias Sales Increase 22%

Loblaw Groceterias Co. Ltd. reports an increase of $292,479 or 22.32% in sales in the four-week period ended April 3. Profits for the period were up $14,500 or 21.62%.

In the 44 weeks of the current year to April 3, sales have increased by 16.96% and profits 16.78%.

Sales and Profits

	1937 $	1936 $	Incr. %
4 Weeks to Apr. 3:			
Sales	1,603,001	1,310,522	22.32
Profits	81,556	67,056	21.62
44 Weeks Ended Apr. 3:			
Sales	15,972,266	13,656,238	16.96
Profits	804,774	689,157	16.78

Company Reports

Can. Western Lumber Co.

Canadian Western Lumber Co. more than doubled net profit in 1936 compared with 1935. This allowed provision of $117,103 to eliminate all arrears of sinking fund on the first mortgage debentures, full sinking fund of $262,003 on the first mortgage for the year, and $277,233 for a 5% interest payment on the cumulative income debenture stock. After these deductions there was a surplus of $1,378, and working capital was increased from $2,060,647 at the end of 1935 to $2,536,377 in 1936.

The 5% payment on the debenture stock for the year 1936 is to be made June 1, 1937, and is the first such distribution since June, 1931. This leaves arrears of interest on the income debenture stock of $3.2 millions.

Profit and Loss Account
Years Ended Dec. 31

	1936 $	1935 $
Net oper. profit	1,255,006	673,271
Other income	......	37,452
	1,255,006	710,723
Less: Depreciation	215,368	242,718
Taxes	180,456	
Bad debts	100,000	......
General	8,269	......
Deb. interest	93,196	96,949
Directors' fees	......	8,000
Executive salaries	......	59,533
Legal costs	......	2,843
Net profits	657,717	300,679

C. W. Lindsay & Co.

C. W. Lindsay & Co.'s financial statement for the year ended Feb. 28, 1937, shows a surplus after bond interest, depreciation and taxes. This is the first time that these charges have been covered collectively since 1931. Operations are still being conducted at a loss though prospects now are that a profit will be shown for the current year.

The balance sheet shows maintenance of a strong working capital position. Cash resources are somewhat higher, while investment securities are off about $100,000. Accounts receivable and inventories, on the other hand, are somewhat larger. On the liability side of the balance sheet, there was a reduction in the funded debt from $400,000 to $300,000, while outstanding preferred declined from $498,300 to $481,200.

Income and Surplus Account
Years Ended Feb. 28

	1937 $	1936 $
Operating loss	4,267	33,525
Investment income	45,343	45,533
Net revenue	41,076	12,008
Less: Bond interest	18,493	25,683
Depreciation	14,214	14,184
Insurance	500	500
Income tax	1,850	......
Surplus	6,019	*28,359
Previous surplus	14,497	25,536
Add: Disct. on stock	8,384	10,108
Disct. on bonds	7,500	7,500
Reserve adjust.	38,938	1,713
Sale of invests.	14,908	......
Surplus forward	90,247	14,498

*Deficit.

Working Capital

	1937 $	1936 $
Current assets	815,095	844,886
Current liabilities	37,823	39,408
Working capital	777,272	805,478

English Electric

English Electric Co. of Canada and the subsidiary, Canadian Crocker-Wheeler Co., had net profits for 1936 slightly above $1.55 a share on the 36,190 English Electric class A shares outstanding. This compares with a deficit of about $2.17 a share in 1935.

D. H. McDougall, president, reports that the company's carry-over of unfilled orders at the close of 1936 was three times greater than in 1935, and the outlook for new business continues decidedly promising. Directors have arranged for sale of 10,000 class A and 10,000 class B shares for $400,000. It is understood that the capital is to be used for expansion along new lines. Capital stock will consist of 46,190 class A and 50,000 class B shares when the transaction is completed.

Earnings for 1936 increased working capital despite outlays of some $38,000 on development. Contractual liabilities of $67,239 are noted in the balance sheet but are not included in current liabilities. This reflects the expansion programme.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Operating profit	123,998	*27,076
Add: Inv't income	7,282	11,963
Less: Legal fees, net	500	725
Exec. remuneration.	21,280	......
Directors' fees	240	596
Net earnings	109,280	*38,494
Less: Depreciation	40,000	40,000
Income taxes	13,077	......
Net profit	56,203	*78,494
Prev surplus	*66,800	11,694
Deficit forward	10,598	66,800

*Deficit or surplus.

Working Capital

	1936 $	1935 $
Current assets	727,599	584,334
Current liabilities	124,402	32,960
Net working capital	603,197	551,374

Hillcrest Collieries

Hillcrest Collieries Ltd.'s financial statement for 1936 shows a moderate gain in gross and net earnings as compared with the previous year. Net income available for bond interest charges of $16,250 amounted to $19,873 as against $16,851 in 1935.

A few changes are noted in the balance sheet. During the year the bank overdraft was reduced from $33,890 to $10,004. Accounts receivable at the end of the year stood at $44,405, compared with $61,433 at the close of 1935.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Gross revenue	37,770	34,641
Less: Taxes	10,297	10,197
Exec. salaries	7,400	7,393
Directors' fees	200	200
Bond interest	16,250	16,250
Surplus	3,623	601
Previous surplus	231,681	233,156
Less: Sub. loss	1,963	2,075
Surplus forward	233,341	231,682

Working Capital

	1936 $	1935 $
Current assets	75,909	93,283
Current liabilities	34,425	54,923
Working capital	41,484	38,360

Canadian Light

Canadian Light and Power, subsidiary of United Securities, reports total income in 1936 of $410,999. This contrasts with $408,917 in 1935. Owing to a break in the canal bank, which reduced the capacity of the plant and required the purchase of additional power, operating and maintenance expenses increased by $22,000 during the year. By a reduction of $18,000 in the depreciation reserve, however, the amount available for dividends was practically the same as in 1935.

The only change of interest in the 1936 balance sheet is an increase during the year in investments from $227,532 to $278,446.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Gross income	410,999	408,917
Less: Oper. expenses	164,490	142,563
Bond interest	143,165	144,655
Depreciation	62,000	80,000
Net income	41,344	41,699
Less: Dividends	32,248	32,248
Surplus for year	9,096	9,451
Previous surplus	14,900	11,795
Less: Income taxes	7,297	5,346
Surplus forward	15,699	14,900

Working Capital

	1936 $	1935 $
Current assets	456,301	400,244
Current liabilities	125,699	120,249
Working capital	330,602	279,995

Significant Investors' Index Numbers

1926 — 100

No. of Securities	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Indust. mines	Total industrials	Total utilities	Total co's.
	8	6	4	4	10	13	7	14	2	68	19	96
1929-36:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	205.4	281.1	591.3	317.6	166.0	198.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	74.9	56.0	36.9	43.3
1937:												
Jan.	156.3	37.2	119.6	229.6	77.3	184.2	141.0	197.0	549.3	222.0	68.5	137.4
Feb.	163.4	36.7	120.7	235.2	78.5	188.2	139.3	203.5	586.7	228.8	73.1	142.4
Mar.	168.3	40.2	127.0	247.7	80.2	190.0	141.8	213.4	618.2	241.7	71.0	147.2
Weekly Figures, 1937:												
Apr. 1	170.2	45.1	127.2	238.2	81.0	188.1	139.8	214.2	610.6	238.1	68.6	144.4
Apr. 8	168.0	50.2	120.2	236.7	81.8	186.3	137.0	214.9	572.6	232.3	67.3	141.3
Apr. 15	159.0	47.2	119.2	236.6	80.5	184.7	136.2	208.8	567.1	229.2	66.4	139.4
Apr. 22	153.0	44.4	109.5	231.4	78.6	180.7	133.3	198.9	544.8	222.0	65.2	135.7

*High and low for years from 1929 to 1936 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Apr. 27	165.87	129.75	163.42
Apr. 26	165.18	130.71	162.58
Apr. 24	169.25	134.35	169.03
Apr. 23	170.24	135.86	170.37
Apr. 22	171.38	136.67	171.35
Apr. 21	171.82	135.93	172.08
Month ago	175.26	136.73	180.02
Year ago	137.28	128.95	132.91
High, 1937	187.67	168.59	215.36
Low, 1937	163.39	119.32	157.02

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Apr. 27	78.6	107.4	97.8
Apr. 26	78.6	107.5	97.9
Apr. 24	80.1	111.5	101.0
Apr. 23	80.1	112.1	101.4
Apr. 22	80.4	113.1	102.2
Apr. 21	80.5	113.2	102.3
Month ago	84.8	119.7	108.2
Year ago	67.8	70.8	69.7
High, 1937	92.5	122.2	109.5
Low, 1937	78.6	105.5	96.6

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Investment of an equal sum in each of the preferred stocks in the accompanying list would give an average return of approximately 5.79 per cent at current market prices—an interesting yield in these days of low money rates.

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Southern Canada Power Co., 6% Preferred....5.54%
Power Corp. of Canada, 6% Preferred....5.69%
McColl-Frontenac Oil Co., 6% Preferred....6.45%
*International Bronze Powders, 6% Preferred....5.00%
*Participating

Equally interesting, however, is the fact that all these shares have an unbroken record of dividend payments—regular quarterly disbursements have been made to shareholders since each one of the stocks was issued.

Full details regarding these and other preferred stocks will be furnished on request.

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Bond Markets

Gilt Edge Bonds Firm Despite Dull Trading

Corporation Issues Ease Off Slightly — Alberta Without Funds to Meet $1.6 Million Maturity June 1

The bond market seems to be in a coma. Absence of new offerings and scarcity of open market supplies has made it difficult for either dealers or investors to make profitable trades. As a result trading in high-grade government bonds has been light, with prices remaining firm.

Trading in high-grade corporation issues has also been light. Price action, however, has differed from the high-grade government list in that there has been a general sell-off, the majority of issues recording a slight decline.

Little interest is being evinced at the present time in speculative issues, newsprint and other bonds of this group having moved downward with the rest of the corporation list.

Prices of Western provincials have remained practically unchanged with the exception of Alberta issues. A few of the latter have changed hands at slightly lower prices.

Liquidation Sequence

Because there are so many artificial influences guiding high-grade bond prices, many investment experts are of the opinion that it is more important than ever for investors to adhere closely to established fundamental investment principles.

Commenting upon the investment policies of banks, one expert suggests that when funds are needed the following bond liquidation sequence should be followed:

(1) Longest term, highest grade bonds.

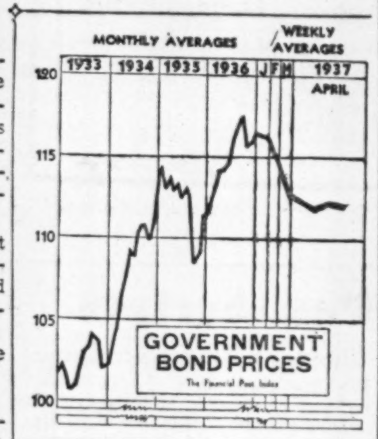
(2) Convertible bonds.

(3) Secondary bonds of all maturities in order of investment quality.

(4) Medium term highest grade issues.

(5) Short term high grade issues.

These recommendations also apply to the individual investor whose investment policy is dominated by income requirements.



Alberta Bonds

It is probable that Alberta will default its $1.6 million maturity which comes due on June 1 next. This will bring the total amount of Alberta bonds in default on principal to $6.1 millions.

Dispatches from Edmonton indicate that the Government will seek assistance from the Dominion Government for the purpose of meeting the June 1 maturity. There is, however, little likelihood of such assistance being granted.

Last year, Alberta applied to the Federal Government for assistance in meeting maturities on April 1 and Nov. 1, and on both occasions its request was rejected. Furthermore, the Bank of Canada recently recommended that the Province should not be granted a temporary subsidy as have Manitoba and Saskatchewan. The Dominion Government, at the present time, in fact, lacks the necessary statutory authority to advance funds to Alberta for other than relief purposes.

It would be difficult to justify assistance to meet the June 1 maturity unless some arrangement was made to meet the maturities that have already been defaulted.

Interest on the past due bonds is being paid at 50% of the coupon rate, or 3% on the bonds which matured April 1, 1936, and Nov. 1, 1936. In order to secure such payment, bondholders must present their bonds to the principal office of the Imperial Bank in Toronto, Montreal or Edmonton for notation thereon of such payment. Bonds can be forwarded to these offices through branch offices of the bank.

Bond Index

The trend of the high-grade bond market is indicated below:

The Financial Post Index of Average Price and Yield of High Grade Govt. Bonds

1937	Price $	Yield %	1936	Price $	Yield %
Apr 27	111.93	3.470	Apr. 27	114.42	3.310
Apr. 26	111.96	3.466	Apr. 25	114.43	3.307
Apr. 24	111.96	3.466	Apr. 24	114.43	3.307
Apr. 23	112.00	3.464	Apr. 23	114.42	3.310
Apr. 22	112.07	3.460	Apr. 22	114.43	3.307
Apr. 21	112.07	3.460	Apr. 21	114.41	3.311
Year's	116.81	3.026	Year's	117.91	2.966
Range	111.60	3.505	Range	111.50	3.597

Canada Cement to Build Bagging Plant at Chatham

From Our Own Correspondent

MONTREAL. — Canada Cement Co. will build a $100,000 bagging plant at Chatham, N.B. Plans are to send the cement to Chatham in steamers, transferring it from the wharf to the two silos which the company will build and putting it in bags, ready for marketing.

It is stated that construction of the silos will begin at once on property near the docks.

Dominion Stores Sales Gain 2.41% in Month

Sales of Dominion Stores Ltd. in the four weeks ended April 17 recorded an increase of $36,381 or 2.41% compared wth the corresponding period of 1936.

Sales in the 16-week period to April 17 increased by $135,225 to $6,025,050. This is an increase of 2.29%.

Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad., $1.75. Three insertions for the price of two. Add five words when box number is required. Classified ads. payable in advance.

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WE PAY 10/- PER LB. ON ALL USED Stamps (any kind). Collections wanted. Send parcels to TRYER & COMPANY LIMITED, 77 Overstone Road, Northampton, England, and receive cash by return.

Power Output At New Peak

Central Stations Report All-time Record for March

From Our Own Correspondent

MONTREAL. — Central electric stations established a new all-time monthly record during March with an output of 2,412 million kw.h. This exceeded the production for March last year by 276 million kw.h., or 13%.

Production by the five main economic areas during March, with comparative figures for 1936 follow:

(Thousands of Kilowatt Hours)

March	1937	1936
Maritimes	78,660	62,417
Quebec	1,249,516	1,101,891
Ontario	773,747	668,129
Prairies	176,466	167,836
British Columbia	133,870	135,367

Three Months Ended March	1937	1936
Maritimes	234,693	169,284
Quebec	3,587,642	3,132,889
Ontario	2,167,885	1,975,497
Prairies	538,813	520,137
British Columbia	347,710	385,308

Exports Up Sharply

Exports to the United States amounted to 172.7 million kw.h. during the past month, an increase of 37% over the same month last year. Surplus and off-peak power exports accounted for 7% of this increase.

Secondary power delivered to electric boilers increased from 672.2 million kw.h. in March, 1936, and 664.1 million kw.h. in February last, to 706.6 million kw.h. in March.

Consumption Greater

Consumption of firm power in Canada, the total output less exports and deliveries to electric boilers, amounted to 1,532 million kw.h., during the past month and was exceeded only by October, 1936, record of 1,533 million kw.h.

Consumption of energy by economic areas follows:

(Thousands of Kilowatt Hours)

March	1937	1936
Maritimes	77,175	60,954
Quebec	1,058,895	907,738
Ontario	793,243	737,870
Prairies	178,077	169,334
British Columbia	132,170	133,774

Quarter Ended March	1937	1936
Maritimes	229,787	165,810
Quebec	3,054,296	2,569,026
Ontario	2,260,717	2,171,322
Prairies	543,614	524,853
British Columbia	342,658	380,449

Dividends Declared

	This payment	Date payable	Date of record
Ault & Wiborg, pf.	$1.37½	May 1	Apr. 20
Assoc. Tel., 6% pfd.	42c	May 15	May 1
Do., 7% pref.	49c	May 15	May 1
Beatty Bros.	$1.50	May 1	Apr. 15
Brewers & Distil.	•40c	May 20	May 1
Do., bonus	•10c	May 20	May 1
Bk. of Toronto	$2.50	June 1	May 15
Buff. Ankerite	12½c	May 15	May 1
Do., extra	5c	May 15	May 1
Bk. of Montreal	$2	June 1	Apr. 30
Beattie Gold	5c	June 1	May 15
Blue Ribbon, pf.	50c	May 1	Apr. 27
B. A. Oil	25c	July 2	June 16
Calgary Pwr., pf.	$1.50	May 1	Apr. 15
Candn Bronze	37½c	May 1	Apr. 20
Do., pfd	$1.25	May 1	Apr. 20
Can Iron Fd., pf.	$2.50	Apr. 30	Apr. 15
Can. Indus. A. B	$1.50	Apr. 30	Mar. 31
Can. Bk. of Comm.	$2	June 1	Apr. 30
Canadian Oil	▴12½c	May 15	May 1
Do., pref.	$2	July 1	June 19
Cosmos Imp.	25c	May 15	Apr. 30
Do., pref.	$1.25	July 15	June 30
Celanese of Amer., part. pfd.	$3.50	June 30	June 15
Consol Press	25c	May 1	Apr. 5
Can. Converters	50c	May 15	Apr. 30
Can. Inv. Fund, sp. & ord.	4c	May 1	Apr. 15
Dome Mines	50c	July 20	June 30
Do., extra	$2	July 20	June 30
Distillers & Seag. p.	$1.25	May 1	Apr. 23
Dom. Bridge	30c	May 15	Apr. 30
Ford Motor	25c	June 19	May 29
Foundation Pete.	0.008	Apr. 24	Mar. 31
Frost Steel, 1 pf.	$1.75	May 1	Apr. 19
Gurd, Chas., pf.	$1.75	May 15	May 1
Guelph Carpet, pf.	$1.62½	May 1	Apr. 20
Humberstone Shoe.	50c	May 1	Apr. 15
Hydro-Elec. Sec.	20c	May 10	Apr. 20
Int. Utilities, pf.	$1.75	May	Apr. 22
Do., $3.50 pfd.	87½c	May 1	Apr. 22
Inter. Nickel, pfd.	$1.75	May 1	Apr. 1
Imperial Bank	$2.50	May 1	Mar. 31
Lake of Woods Mill, pfd.	$1.75	June 1	May 15
Little Long Lac	10c	May 15	May 5
McIntyre-Porc.	50c	June 1	May 1
McKenzie R Lake	4c	June 15	June 1
McKinley Min. Sec.	2½c	June 1	May 15
Montreal L. H. & P.	37c	Apr. 30	Mar. 31
Orange Crush, pf.	35c	May 1	Apr. 15
Penmans	75c	May 15	May 5
Do., pref.	$1.50	May 1	Apr. 21
Royal Bank	$2	June 1	Apr. 30
Quebec Pwr.	25c	May 15	Apr. 28
Shawinigan W. & P.	20c	May 15	Apr. 28
St. Lawrence Flour	25c	May 1	Apr. 20
Do., pfd	$1.75	May 1	Apr. 20
South. Can. Pwr., c.	20c	May 15	Apr. 30
Saguenay Pwr., p.	$1.37½	May 1	Apr. 15
Steel Co. of Can., c.	43¾c	May 1	Apr. 7
Do., pf.	43¾c	May 1	Apr. 7
Sullivan Cons. M.	2½c	June 15	June 1
Simpsons, pfd.	$1.75	May 1	Apr. 24
Third Can. Gen. Inv.	9c	May 15	Apr. 30
Vulcan Oils	5c	June 15	June 1
Toburn Gold	2c	May 21	Apr. 21
United Corp.	▴75c	May 15	Apr. 30
United Steel, A	75c	May 1	Apr. 15
Un. Gold Equit.	4c	Apr. 15	Apr. 5
Wood, Al. & J., p.	▴$1.75	May 5	Apr. 30

•Subject to ratification at meeting Apr. 29, 1937. ▴On arrears.

B.C. Revenues At Peak Level

Ordinary Account Surplus Estimated at $2.6 Millions

From Our Own Correspondent

VANCOUVER.—Revenues of the British Columbia Government for the year ended March 31, 1937, exceeded all records, being estimated at $27.9 millions, according to Hon. John Hart, minister of finance.

Expenditures are estimated at $25,204,000, leaving an approximate surplus on ordinary account of $2,695,000. Ordinary expenditures, however, do not include unemployment relief on which $5 millions was expended. Thus the actual deficit will be about $2.3 millions.

Revenues for the year were $2 millions higher than in the year ended March 31, 1936, while expenditures were $2.5 millions higher.

Surplus of $7.8 Millions

In the last four fiscal years the Government has had an aggregate surplus of $7.8 millions, according to Mr. Hart. Of this amount, $5.8 millions has been expended to reduce debt.

Net debt of the province at the present time, Mr. Hart states, is $152.3 millions, an increase of $15.5 millions in the last four years. This increase has been entirely due to borrowings to meet unemployment relief expenditures. Relief borrowings amount to $18 millions.

Deficit Faced By Quebec City

Increased Taxes Fail to Balance Budget For Year

From Our Own Correspondent

QUEBEC.—With an estimated deficit of $763,627 for the fiscal year ending April 30, 1938, facing it, Quebec City is looking around for new taxes and sources of revenue in order to make ends meet. A long list of tax proposals are included in the city's bill at present before the Legislature.

A 10% increase in the Catholic school tax is provided for by the budget, which sets the rate at $1.05 per $100, as compared with the 95 cents now in force.

The budget estimates expenditures of $5,214,512, as against estimated revenues of $4,450,885, leaving a deficit of $763,627, or some $130,000 more than last year's deficit.

Revenues from special taxes, license fees, business and personal taxes, and water taxes are estimated at $2,568,685, while the amount to be collected from the tax rate of $1.65 per $100, on an assessment of $116,400,000, is $1,882,200.

"Imperial" and "Pete" Stocks Listed in Montreal

From Our Own Correspondent

MONTREAL—Common stocks of Imperial Oil and International Petroleum have been called for trading by the Montreal Stock Exchange. Hitherto these stocks have been traded on the Curb Market.

Municipal Finances

Kamloops, B.C., has struck its 1937 tax rate at 37 mills, compared with 40 mills in 1936. The levy is divided as follows: general, 19.172 mills; debt, 2.486 mills; school, 15.342 mills.

* * *

Kitchener, Ont., reports a surplus on 1936 operations of $3,232. Debenture debt at the end of the year stood at $3,880,317. Tax arrears stand at $415,582, an increase of $10,326.

* * *

Mimico, Ont., 1937 council has made representations to the Ontario Municipal Board opposing the refinancing plan which was agreed to in 1936 between the town council and the bondholders' protective committee. A public hearing on the plan was held by the Municipal Board late last year but as yet no decision has been handed down. The 1937 council claims that the plan will mean an "impossible financial obligation" and that unforeseen capital expenditures will be necessary in the next few years.

* * *

Windsor, Ont., current tax collections up to April 13 totalled $2,386,182, or 60% of the total roll of $3,975,000. Collections of arrears have totalled $330,384 so that aggregate tax receipts have amounted to $2,716,566.

* * *

Vancouver, B.C., has struck its 1937 tax rate at 44.93 mills, an increase of three mills over the 1936 rate. The budget provides for appropriation of $681,735 of arrears of taxes and receipts from sale of tax sale lands for current purposes instead of for sinking fund.

Mayor George C. Miller has intimated that the city's campaign for increased government assistance and wider taxation powers will be intensified.

* * *

Grand-Baie, Que., has been authorized by the Quebec Municipal Commission to pay interest coupons of Nov. 1, 1936; also interest from May 1 to Nov. 1, 1936, on bonds matured May 1 and Nov. 1, 1933, 1934, 1935 and May 1, 1936.

* * *

Sydney Mines, N.S., has set its 1937 tax rate at $4.50 per $100 of assessment, the same as last year. Expenditure for the year is estimated at $150,837.

* * *

Glace Bay, N.S., is seeking incorporation as a city.

* * *

Pictou, N.S., has struck its 1936 tax rate at $3.65 per $100 of assessment.

* * *

Prince Rupert, B.C., reports a deficit of $14,325 on 1936 operations, this amount being charged to surplus account. Schools accounted for $5,324 of the deficit and general operations $9,001.

Current tax collections in 1936 amounted to $116,259, or 70% of the levy. Arrears of taxes collected amounted to $20,438.

The city conducted its operations in 1936 on a cash basis, without any loan either from the bank or from the Government for unemployment relief or other purposes.

* * *

Red Deer, Alta., continues to maintain its reputation for excellent management. In 1936, the town had a deficit on current account of $13,701, revenue amounting to $149,540 and expenditure $163,241. The deficit for the year was charged to revenue surplus account which now stands at $140,588. Because of the excess of expenditures over revenue the town's credit balance at the bank was reduced during the year from $34,437 to $20,737.

Total debenture debt shows a reduction of $13,396 from the previous year, amounting to $114,858 at the end of 1936.

* * *

St. Thomas, Ont., reports that collections on its 1937 tax roll during the first three months of the year totalled $120,779 or 19.56% of the roll. This compares with a percentage collection of 15.55% in the same period of 1936 and 7.77% in 1935. Collections, including arrears, amounted to $156,437 as against $139,002 in the first quarter of 1936.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Can. Paper, A	6%	1945	June 4	103½
Avon River Pr. D.	5%	1964	July 1	103
Randolph Hotel	*6½%	1947	May 1	105
Connors Bros.	6½%	1938	May 1	105
Can. Steamships	5%	1943	Aug. 15	105
Mar. T & T. A	5%	1956	July 1	104
Simpson, Robt.	5%	1952	July 1	105
Ames Holden Tire	†7%	1943	May 1	105
Gen. Stl. Wares A	6%	1952	May 1	104
Hinde & Dauch A	5½%	1948	May 1	102½
Tor. Housing, A.	•5%	1953	May 25	105
H. Walker-G. & W. conv. debs.	§4½%	1945	June 1	104
Dredging Contractors	6½%	1947	May 1	103
Tooke Bros.	▪7%	1942	June 1	107
Dominion Coal	‡5%	1940	May 1	105

For sinking fund: *$9,000. †$17,700. •$37,000. ‡$351,500.

§$1,250,000; any of the debentures thus called may be converted into common stock of Hiram Walker-Gooderham & Worts Ltd. prior to June 1, 1937 at $45 per share.

▪For sinking fund purposes.

Stock Issues:

	Rate		Date	Price
Anglo-Can. Tele.	7%	pref.	May 1	55

Religious Issues:

	Rate	Year	Date	Price
Soeurs du Sacré Coeur, Ottawa	4½%	1937	June 1	101
La Congrégation de Saint Dominique du Tiers-Ordre Enseignant. Les Religieuses Dominicaines de Valleyfield	5%	1937	June 1	100
Soeurs Grises de la Croix, Ottawa	5%	1937	June 2	102
Collège Notre Dame, Côte des Neiges (Religieux de Sainte Croix)	4½%	1937	June 1	101
Fabrique Saint Vital, Montréal-Nord	5%	1937	June 1	101
Soeurs Sainte Marthe	5%	1937	June 1	100
Soeurs de Charité d'Halifax	6½%	1937	July 1	105

Income Tax Problems

Gift Taxes

In reporting gifts in my Dominion income tax return, I am concerned with the possible effect on my estate with regard to succession duties.

I have made gifts of shares with a current value of $20,000 to my children. I intended to make gifts of $20,000 and did it by transfer of shares as a matter of convenience. If the shares rise in value, will my estate be liable for succession duties in Ontario on the higher value? What are the changes in gift exemptions under the Ontario Succession Duties Act?

Gifts must be reported on your Dominion income tax return and are subject to Dominion gift tax at the rates shown in the official form for your return.

While you are liable for Dominion gift tax at the time of giving, your estate will be liable for succession duties on the value of the gift at the time of your death.

All gifts of property liable to fluctuation in value create an uncertain hazard for the estate under the Succession Duties Act. This would apply to real estate as well as to gifts of shares. If the shares you have donated rise in value your estate will be taxed at a higher rate.

We understand that you might protect yourself by having the shares transferred back to you. Then you could issue a cheque for $20,000 and the recipient could deposit it in his bank and then issue his cheque to pay for the shares. It would be a gift of $20,000 and a sale of shares rather than a straight gift of the stock. One legal opinion is that this would establish the value of the gift at $20,000 for both income tax and succession duties, but subject, of course, to rulings of the Ontario treasury.

Such a transaction at a bona fide price appears the only way of guarding against a possible rise in value of the shares. If the shares decline in value, however, establishment of a fixed value of $20,000 would amount to partial waste of exemptions under the Succession Duties Act.

Under the revision of the Ontario Act, gifts totalling $20,000 made three years prior to death to father, mother, child or child-in-law are exempt from succession duty. If you live another 10 years you need not worry about fluctuations in value of the shares. All gifts to members of the family made 10 years prior to death are now exempt from succession duty in Ontario.

Not Ordinary Income

During 1936 I received $300 under a disability clause in my insurance policy and the company paid the annual premium which amounted to almost as much. Must I pay income tax on these amounts?

The income tax department would not consider the $300 you received under the disability benefit clause of your insurance policy as ordinary annual income and the fact that the company paid the premium on the policy amounting to almost an equal amount does not affect the status of the money for tax purposes.

The view of the income tax department in this case would be that you had received about $600 in compensation for bodily injury and the income tax branch does not consider compensation for bodily injury to be income in the ordinary sense.

Neither of the two amounts you mention need to be considered, therefore, as income liable to tax.

Ruling is Necessary

I have two endowment insurance policies maturing this year and I am considering investing the proceeds in the form of annuities or some other income yielding investment for the benefit of a son and daughter. What is the position of these policies for Dominion and Ontario income tax purposes if I invest the proceeds in annuities? Would it be construed as transferring money to my children?

It is impossible to advise you on the status of insurance policies for income tax purposes without full knowledge of the terms of the policies.

In matters of this kind the income tax department itself never attempts to make a ruling without first examining the terms of the contract or policy. Terms of these may vary so greatly that tax exemptions might apply to some and not to others and for that reason your best course would be to submit the policy to the income tax department for its ruling. For the same reason it is impossible to advise you whether your proposed course of action would be construed as transferring money or property to your children.

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U. S. Publishers Plan Newsprint Economies

Action Recommended to Offset Higher Canadian Price — Use of Southern Pine for Kraft Discussed

From Our Own Correspondent

MONTREAL.—More economical use of newsprint paper, advice against the building up of reserves and expression of the hope that the probable overexpansion of the kraft paper industry will bring about the use of idle capacity in the production of southern pine newsprint, are the highlights of the report submitted by the newsprint committee at the annual convention of the American Newspaper Publishers Association.

Of immediate interest to Canadian and American newsprint manufacturers are the recommendations made by the committee to association members that they undertake an immediate programme of newsprint economy.

To this end the committee recommends the "judicious" condensation of newspaper size; rigid control of returns; and reducing the number of extra editions.

A reduced demand from buyers is the "language" which all buyers understand, the committee said in its report.

"In view of the warning issued by Canadian Newsprint Association," the committee goes on to say, "regarding the diminished supply of Canadian newsprint available for export to the United States, your committee repeats that publishers should lend their support to bringing a new production to newsprint. Whenever you learn of an old newsprint mill that wants to resume production, do your best to buy from it. Aid the development of southern newsprint with actual commitments."

Question 1938 Price

The report says it is important to remember that the Canadian announcement of a $50 price for the first half of 1938 is not based upon a bona fide transaction. On the other hand, Canadian manufacturers claim that over 100 contracts have already been signed at the higher price, but the A.N.P.A. committee says it "has no knowledge of any such contract."

The second point of interest to Canadian manufacturers in the committee's report is the reference to southern pine newsprint. Along these lines, the committee reports:

"An immediate reaction is the real interest of groups of great financial resources in southern newsprint. Financial backing is all that southern newsprint has needed to become a reality. Eminent newsprint engineering authorities and newsprint manufacturers have informed your committee that newsprint of satisfactory quality can be made from southern pine; that a $45 New York base price will produce a handsome profit for southern newsprint mills.

"Your committee is of the opinion that the opening of the first southern newsprint mill will mark a trend which will culminate in the shifting of the centre of gravity of North American newsprint production back to this country.

"A factor that is likely to hasten a large output of southern pine newsprint is that more than $100 millions have been invested in the past five years in kraft paper mills in the south.

Foresee Kraft Breakdown

"There is reason to believe that kraft paper prices stimulated by European war preparation plans, have reached, if not passed, their peak. It is almost a certainty that when the time comes that markets cannot be found for the tremendous expansion of the kraft paper industry, idle capacity will start producing southern pine newsprint."

Experimental lots of southern pine newsprint have been manufactured from time to time. Canadian newsprint manufacturers recognize that at some future date newsprint will be made from southern pine and may become an active competitor of Canadian paper. On the other hand, there are technical obstacles still to overcome which make it difficult, if not impossible, for southern pine newsprint plants to compete with the northern mills on the present price basis.

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Saint John Shed Contract for $183,000 Awarded

From Our Own Correspondent

MONTREAL.—Contract for the construction of a transit shed at Berth No. 1, West Saint John, has been awarded to the Stewart Construction Co. at a cost of $183,000. The new shed will be 685 ft. long and 92 ft. wide. It is understood that under present plans it will contain no offices and will have no grain conveyors.

It is anticipated by the contractors on the reconstruction project, Foundation Co. of Canada and St. John Dry Dock and Shipbuilding Co., that Berth No. 1 will be ready for the shed construction by July 1.

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(Incorporated Under "The Companies' Act", 1934)

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With Sinking Fund Provisions Hereinafter Noted
Also
5,000 Shares Without Nominal or Par Value

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6% Cumulative Preference Shares par value $100	$500,000.00	$500,000.00
Shares without nominal or par value	50,000 shs.	50,000 shs.

The 6% Cumulative Redeemable Preference Shares are to be fully paid and non-assessable; preferred as to dividends and return of capital, entitled to fixed cumulative preferential cash dividends out of the profits of the Company which the Directors declare available for dividend at the rate of 6% per annum payable quarterly (first February, May, August and November) by cheque at par at any branch of the Maritime Provinces of Canada or at the principal offices in the Cities of Montreal or Toronto, Canada, or the Company's bankers, being a chartered bank of Canada; redeemable at the option of the Company in whole, or in part pro rata, on thirty days' notice at $103.00 per share plus accrued and unpaid dividends to the date fixed for redemption.

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1: Maritime-National Fish (1937) Limited are operating in a basic Canadian industry and the business of the Company has been built steadily over a period of 30 years.

2: Executive officials, operating heads and personnel of the Company are men with a lifetime of experience in the business.

3: Operations of the subsidiary companies handling by-products of the fish industry have been most profitable.

4: The Company is in a strong position as regards working capital, net current assets amounting to approximately $245,000. No dividends can be paid on Common shares which will reduce the amount below $225,000.

5: Fixed assets are carried in the books of the Company on a most conservative basis, $480,324.75.

6: Included in the assets are four steam trawlers carried at a total of $173,000. Classed A-1 at Lloyd's, the replacement cost today of any one of these vessels would be approximately $175,000.

7: No valuation whatever has been placed on the Company's three most valuable assets: (a) its Organization, both in production and distribution; (b) its Good-will, created and built up over a period of 30 years, and (c) its Experience.

8: It is estimated that for the 12 months ending April 30th consolidated net earnings will be in excess of $100,000 before depreciation or Dominion Income Tax, as against dividend requirements of $30,000 on the Preferred stock to be outstanding.

9: A Sinking Fund of not less than 3% per annum will be set aside each year, commencing in 1938, for the retirement of the Preferred stock.

10: The Company's Common stock represents actual cash investment of over $4.00 per share, or a total of over $200,000.

11: The Company's output of salmon, sold mostly in England, is only limited by the amount it can procure.

12: Maritime-National Fish (1937) Limited profitably utilize all by-products. Nothing is wasted. The Company's fish meal product, "Fasterfat", used in scientific cattle feeding, is in almost unlimited demand, and this subsidiary enterprise during the past ten months has earned net over $36,000.

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TORONTO, MAY 1, 1937

The Financial Post's Platform for Canada

1. *Balanced budgets.*
2. *Abolish politics in C. N. R.*
3. *Merit system in public service.*
4. *Freer foreign trade through Empire preferences and foreign treaties.*
5. *Stable tariffs for balanced development.*
6. *Stricter laws to protect investors.*
7. *An even break for Canadian national newspapers and periodicals.*
8. *A modernized constitution.*
9. *Integrity in meeting public obligations.*
10. *Wider markets for our farms.*

A Pattern For Canada

APPARENTLY Ottawa has not yet been able to obtain the services of a suitable chairman for the Royal Commission that will investigate the financial relationships of the Dominion and the provincial governments. It is to be expected that the chairman will be found in England and appointed while Mr. King and Mr. Dunning are there for the Imperial Conference.

No doubt the balance of the Commission will be "built around" the chairman. If an eminent economist is the choice, Canadian businessmen and others understanding Canadian problems will be appointed to assist him. If no economist can be found to take the job the appointment goes to a distinguished "professional chairman," then Canadian economists and financial experts will be needed to assist him.

If Sir George May can be induced to accept the appointment, he will make an ideal chairman. He gave Britain its famous May report in 1931 that launched the reconstruction of British public finances.

It cannot be overemphasized that, whatever the Commission reports, nothing will be settled by the publication of a blue book containing its recommendations. The Commission may present us with a pattern for a re-Confederated Canada but our ten major governments will have to do the actual work of rebuilding the financial foundation of Confederation with that pattern as their guide.

It will be done at a constitutional conference. Previous conferences between the Dominion and the provinces have not been marked by singleness of purpose and unity of feeling. Let us hope that when this conference comes together, the representatives of the different governments will feel that an independent survey of our financial and governmental problems by qualified experts will have provided them with a programme and an objective that are greater in their significance and their importance than the ambitions and the grievances of any single area.

One Big Happy Family

HAPPILY married couples get little publicity in the newspapers.

A golden wedding celebration may bring a note in the social column or even an illustration of the happy pair.

Divorce proceedings, however, usually make the front page.

Similarly, strike news in industry is given full page, streamer headlines, but industries which carry on most amicable and friendly relations between employer and employee get little or no attention.

This is understandable as newspapers only play up the unusual.

Unless we stop occasionally, however, and think the matter over we are liable to lose our perspective on events and attach undue importance to circumstances and actions that are taking place before our eyes.

There are about 1,500,000 workers in Canada apart from those employed on farms and in fishing and hunting pursuits.

About 20 per cent or 300,000 belong to labor unions. It is safe to say that probably 90 per cent of all workers are far removed from any thought of taking part in any strike or industrial disturbance.

This imposes a great burden of responsibility on their employers to see that they all get a square deal.

Something like a diamond wedding celebration happened recently at the plant of the Endicott Johnson Corporation, Binghampton, N.Y., manufacturers of boots and shoes.

After voluntarily circulating and signing a pledge of loyalty through the factories and tanneries of the corporation, 19,000 employees have forwarded the pledge to George F. Johnson, chairman of the board, who is in Florida.

The testimonial, spokesmen for the workers said, was in place of a homecoming celebration planned for Mr. Johnson, who has been seriously ill.

Heading each of the long sheets of paper upon which the signatures appear are these words, as reported by the New York Times:

"At this time, when industrial strife is rampant throughout the nation, when capital and labor are in the throes of suspicion and distrust with each other, each hurling open accusations at the other and attempting to impair the security of industry by their efforts to dominate, we want to stand fast by that old proverb:

"'Hold fast to that which is good.'

"So, with this, we, the Endicott Johnson tanners, shoe workers and rubber workers, desire to pledge our loyalty and goodwill to our leaders and express our complete confidence in their leadership, and our willingness to abide by whatever decision they may consider necessary."

Endicott Johnson provides free hospitalization, medical care and recreational facilities for its workers along with an average weekly wage the year around of more than $27. Its announced policy is to give back to the workers all that the business earns over costs and dividends to stockholders. It provides homes at cost.

This "square deal" policy, which has been in effect for nearly half a century, has brought many demonstrations of loyalty in the past.

In most industrial plants, employers and workers have confidence in each other and strive to do the fair thing by each other.

Leadership in promoting industrial harmony may well come from employers. The best way to avoid discontent and flaming agitation is to maintain conditions which do not permit them to take root.

It Has Helped Canada Through

CANADA has often suffered painfully and cruelly from United States tariff policy. But Uncle Sam has been doing penance for some of his previous fiscal injuries to other nations.

This country must admit that the gold-buying policy of the United States has been an important factor in our recovery.

An independent, outside observer bears testimony to that fact. H. O. Chalkley, Commercial Counselor to the British Embassy in Washington, makes the flat statement that Washington's monetary policy, over the past four years, is mainly responsible for increased trade between the British Empire and the United States, and between the United Kingdom and the Dominions.

Mr. Chalkley says:

"The balance of advantage (from the United States policy) has heavily favored all British countries. The high price placed on gold and unlimited purchases by the U. S. A. are largely responsible for the remarkable prosperity of the Union of South Africa and consequently for the share which the United Kingdom investments in and exports to South Africa have had in that prosperity. Similar triangular effects are traceable in the case of Australia, Canada and India."

Just now there are those at Washington who wonder if the gold buying and sterilization policy, if it is to continue, should not be assisted by some of the countries receiving the greatest benefits.

Facts Are Not a C.I.O. Fetish

IN ITS effort to cause industrial friction between labor and capital, the Committee for Industrial Organization does not hesitate to distort facts. Sometimes it does more than that, and does not even start with facts.

An example of how C.I.O. organizers mislead labor is provided by the speech in Kirkland Lake recently made by Thomas Church, fiery tongued organizer for the C.I.O. mine union. Roared Mr. Church:

"I know dozens of miners who will never work again, victims of silica dust, who can draw nothing from the compensation board because 'their' doctors are the company's doctors. A mine's contribution to the compensation fund is based on the number of accidents and injury cases it has, so you can see that a miner will get less justice from a company doctor."

The real facts, as Mr. Church must have known, are that silicosis cases are heard by a special Silicosis Referee Board, comprised of medical experts from the Workmen's Compensation Board of the province, men who have no connection whatsoever with the individual mining companies, and can have no possible bias, one way or the other. Company doctors have no say as to whether or not a man is entitled to silicosis compensation. His duty is simply to attend to the health of the employees.

Such misinformation is significant because it is typical of the sort of weapon the C.I.O. must resort to.

Civil Servants in the Provinces

ONTARIO'S premier seized a favorable opportunity to rid himself of two embarrassingly radical members of his cabinet. But was it necessary for him to use the same opportunity to dismiss civil servants?

Joseph Sedgwick, K.C., solicitor in the attorney-general's department and recognized as one of the leaders among younger members of the Ontario bar, was requested to leave his office immediately. Herbert L. Cummings, deputy minister of municipal affairs, who has been largely instrumental in untangling the financial knots of defaulting municipalities, received a similar notice. The third victim was George Pipher, secretary in the welfare department.

With the principle behind the dismissal of Mr. Roebuck and Mr. Croll, The Financial Post can have no quarrel. The maximum of Cabinet solidarity is as indispensable to responsible government as is the principle of no political interference to the building of an efficient civil service.

Dismissal of the three civil servants without stated cause is regrettable. Inefficiency or dishonesty alone should be the ground on which dismissal can be justified.

There is a touch of irony in the fact that the dismissal of Mr. Sedgwick is the result of Premier Hepburn's commendable stand against the invasion of what is believed to be Communist influence in the labor field of Canada. There are few men in the province with a better knowledge of the workings of Communism than Mr. Sedgwick. It was he who, under Attorney-General W. H. Price, engineered the famous Communist raids in Toronto which resulted in smashing for the time being the Communist organization in the province. Later, in 1933, Mr. Sedgwick took charge of the Government's handling of the Stratford strike riots.

As a rising Ontario lawyer, Mr. Sedgwick's personal fortunes will be little affected by the loss of his position at Queen's Park. The real losers in the deal are the taxpayers of Ontario who are paying for the maintenance of an efficient civil service organization and who have the right to demand that its civil service commission be vested with and use power to protect such an organization from political interference.

The government of Ontario is of course not alone in its practice of violating the rights of the civil service. In Alberta 69 civil servants have been dismissed and 181 others within the past year have resigned since the Aberhart Government took office. Parallel instances can be cited from other provinces. Canada's provinces have gone only a short way in replacing political patronage by efficiency as a standard for its civil service. The spoils system still mars provincial administration in Canada.

Cockroft's Opportunity in Alberta

CHARLES COCKROFT, formerly Alberta provincial treasurer in the Aberhart Social Credit Government, has issued a statement giving his reasons for resigning his Cabinet position.

He asserts that Premier Aberhart and certain Cabinet members persistently requested that the province sell its sinking fund securities. Such a policy, Mr. Cockroft declares, "would have led to a misuse of trust funds and certainly a loss to the province of $1.2 million." The action would have been contrary to "the common principles of decency and honesty," Mr. Cockroft comments.

It is pleasing that Mr. Cockroft, in these declarations has confirmed impressions of his honest intentions. It makes more puzzling the fact that it was under Mr. Cockroft's régime as provincial treasurer that Alberta cut in half the interest rates on its bonds, and caused serious losses to investors.

Grave damage has been done to Alberta's bondholders. If Mr. Cockroft continues to sit in the Legislature as an Independent rather than a Government member, he will have an unusual opportunity to emphasize the urgent necessity of correcting the Alberta defaults by paying investors the full interest which is properly due them.

Editorials in Brief

Alberta is noted for the strange and devious legislation it has passed in recent months. Latest addition to the roster is the Postponement of Payment of Certain Indebtedness Act. Even Americans would have difficulty successfully boiling this down to P.P.C.I.A.

• • •

Alberta is considering a bill to reduce the number of members in the legislature from 63 to 20. It is argued that the province's 700,000 people could be as well governed with 20 members as with 63.

Does it not depend upon who those 20 are? If they are all Social Crediters we wouldn't be quite so optimistic.

• • •

Canadian labor is interested in keeping Canada an attractive site for industrial operations. Most Canadian plants are competitive with United States plants, sometimes with parent companies in the States. Time lost by Canadian workers is usually time gained by United States workers. If costs are increased in Canada to the point where they are higher than costs beyond the border, then manufacturing operations will cross the line.

Sayings of the Week

"What Canadians can use, Canadians can make."—*Rt. Hon. R. B. Bennett.*

• • •

"I would gladly sink into oblivion were it not for the cause."—*Premier Aberhart.*

• • •

"To kill social credit with a privy council decision makes a martyr of it."—*Stephen Leacock.*

• • •

"Materialism means slavery and slavery in the end means destruction." — *Premier Stanley Baldwin.*

• • •

"I do not expect that we shall achieve social credit in the near future." — *J. H. Blackmore, Social Credit, M.P.*

• • •

"I have never killed a man but I've read many obituaries with a lot of pleasure and really the idea is the same."—*Clarence Darrow.*

• • •

"It is time for silence. The balance is so delicate in the European situation that the weight of a word disutrbs it."—*Benito Mussolini.*

• • •

"If the people of Ontario are prepared to accept the domination of Canadian industry by Lewis and his paid hirelings I will retire to my farm."—*Premier Hepburn.*

• • •

"We shall probably be somewhere within reason if we charge capitalism with wasting at least 50% of human energies and material resources."—*Roger Babson.*

• • •

"It is easy and popular to rattle the sabre; it is far more difficult and unpopular to face criticism for being poor spirited because we refuse to lead Europe over the precipice."—*Anthony Eden.*

• • •

"The record of every wheat board or marketing organization has proven that when a man gets the idea that he knows what the price of wheat is going to be six months hence he winds up by losing millions of dollars for his principals."—*Hon. James G. Gardiner.*

• • •

"The privy council has the temerity not only to frame a new constitution dominated by an Imperial executive hitherto unknown to English law, but they also presume to invest that Imperial executive with authority to impose on this Dominion obligations of a far more reaching extent than the Parliament of Great Britain can now impose."—*Hon. C. H. Cahan.*

—Cartoon by Grassick.

THE BEST DEFENCE

Plain-spoken Statesman . .

Roanoke Times, Virginia

"Slick fellows who operate from outside Ontario and make a fat living out of the envelopes of the working class" can't come into Canada and dictate wage and employment policies to Canadian industries. The quotation is from language by Premier Mitchell F. Hepburn, of Ontario, in a statement expressing confidence that labor troubles at the Oshawa plant of General Motors, near Toronto, could be speedily settled "if we can get these paid professional American agitators out of Ontario."

It is decidedly fortunate, no doubt, for Premier Hepburn that his political career has been cast in Canada rather than south of the international boundary line. This plain-spoken dirt farmer who has risen to the head of the Ontario Government wouldn't get to first base in American politics. He says exactly what he thinks and he says it without mincing words. That would be fatal in a political system such as ours.

Many of us, nevertheless, find it a refreshing as well as a novel experience to contemplate a man in public life who scorns to call a spade anything else than a spade. As Premier Hepburn sees it, "we can settle our own problems without having hirelings of John L. Lewis, the master mind behind all the unrest and disturbance in the United States, come in here and tell us what to do."

We hope he's right about that, Maybe one reason we are having so much industrial unrest in our own country is because we are afraid to grasp the nettle boldly but, instead, take hold of it gingerly and with an excess of caution. Anyway, it's nice to know that somewhere on the American continent there lives a statesman who dares to speak his mind plainly on the subject of sit-down strikes fostered by the C.I.O.

We fancy lion-hearted old Grover Cleveland would have approved of this man Hepburn. He speaks Grover Cleveland's language.

As Others See Us . . . . .

Our Weekly Newspapers
The Canadian Statesman, Bowmanville

The Financial Post pays a glowing tribute to the sanity of the weekly press, in an editorial on March 20. It deals principally with the weekly newspapers of Alberta, but generally speaking, the Alberta newspapers are representative of the weekly press as a whole in Canada.

Courage in the Press
Goderich Star

Recognizing the trials and temptations to which the weekly papers of Alberta have been subjected during the last 18 months, on account of drought, scarcity of crops, scarcity of funds, and above all, to Premier Aberhart's social credit antics, The Financial Post is commending that section of the Canadian press for its courage. As The Post says, it would have been an easy matter for the Alberta weeklies to follow the unthinking masses, to later turn back with the crowd. The papers steadfastly refused to adopt that line of action and the wisdom of their course is now apparent, though Alberta's Premier still insists his plans are workable. Hope deferred makes the heart grow sick and that seems to be the state of mind of the average citizen of the Province of Alberta.

Sanity of Editors
New Westminster British Columbian

As the great magician stands discredited before his audience, having failed to produce the money from the empty hat, The Financial Post points out that the present situation in Alberta merely demonstrates a truth that has been recognized for many years by shrewd observers of contemporary opinion in Canada.

"Canada's rural weeklies," says The Post, "are seldom swayed by those hysterical outbursts of political extremes, which seem so easily to catch hold of mass opinion in the cities, only to give way in time to extremes of opposite thought. If one wants to know what the nation really thinks at heart, what its true common sense viewpoint is, one can usually find it by a persual of the editorial pages of the country weeklies of Canada."

Exposed Hypocrisies
St. Marys Journal-Argus

The Financial Post which keeps close tab on conditions throughout Canada is deeply impressed by the journalistic courage of the country weeklies of Alberta who have almost unanimously opposed Mr. Aberhart and his social credit futilities. They have consistently exposed the Money Messiah's political hypocrisies and combatted his fallacious economic doctrines. The Financial Post points out that at a time when the public has been engulfed in a wave of mass hysteria, those who refused to be swept along with the unthinking masses, may expect to be jeered at, reviled and persecuted. The Post concludes that if one wants to know what the country thinks at heart, what its true common sense viewpoint is, one can usually find it by a persual of the editorial pages of the country weeklies of Canada.

Sound Policy
St. Catharines Standard

A policy which most Canadians will subscribe to as sound was enunciated this week by a member of the Cabinet to the Ottawa correspondent of The Financial Post. He is quoted:

"The object which the Government has in view is not to prevent Canadian industry from making money out of other nations' wars. That would be wholly unsound.... It is solely the limitation of profits out of a Canadian war that the governments will concern itself with."

The process of the Government is said to be the same as Lloyd George once urged; let the manufacturer make the money, and then take it away by excess profits taxation. Of course, this might be overdone to such an extent to discourage industry, but the suggested figure of 70% is assuredly steep enough, and that is the highest reported from any country.

Should another war come, there will be conscription of wealth to a degree never before realized. There will be not only that but a mobilization of every resource of the nation. Such a war can never be a mere clash of armies and generals; it will involve everything. There was an approach to it in the last struggle but another one would be extremely worse.

Tribute to Weekly Press
Cochrane Northland Post

Recently The Financial Post of Toronto took time out to pay a very fine tribute to Canada's weekly papers.

As to the extent to which the weekly press of Canada actually reflects "what the nation really thinks at heart," there may be some question. Difference of opinion is what makes horse races and a lot of other things, too. And we doubt if there was ever a single editorial in any paper anywhere, which received unanimous support or concurrence from all its readers. It would no doubt be found, if the matter were properly investigated, that in regard to every editorial which appears in print, there are some who agree and some who do not.

As to the independence of the weekly press, there can be no doubt. The town weekly is today the only printed medium where the editor at all times expresses his own views without fear or favor. It may be that all weeklies do not come into that category, but the exceptions are few. And in this connection we would like to add that The Financial Post appears to fall into this independent class. We do not agree with all that The Financial Post says at all times, but we do believe that the views expressed in its columns are both honest and sincere. And if an editor writes honestly and sincerely, he is doing his best, even when, as sometimes happens, **he is wrong.**

Rearmament
Le Devoir, Montreal

With regard to the present demand for rearmament, we cannot refrain from wondering whether this is not merely the commencement of a policy which will gradually increase its demand on public expenditure, year by year. Some members of Parliament have already put that question to the Hon. Ian Mackenzie, Minister of National Defense, but Mr. Mackenzie has not as yet committed himself.

In the course of a comprehensive front page article on Rearmament The Financial Post of Toronto says: "Despite the lack of definite pronouncements to the contrary, it is evident that the programme this year will merely lay the foundations of the defense structure, and that appropriations will contrive to be as large, if not larger, than the 1937-38 vote." In addition, this paper deals with many other phases of the rearmament programme for this year, but the salient point of the article is comprised in this quotation.

There is included in the article a detailed analysis of expenditures necessary in the effective upkeep of Army, Air Force and Navy.

It is interesting to note that many Canadian newspapers and magazines hold almost the same views as Le Devoir, with this difference, however, that from Imperialistic inclination they do not object to the military policy of Premier King. For them the situation is clear; the armament funds have one other destination than the exclusive defense of our territory. They mark a commencement and not a final contribution to Imperial defense.

We are reluctant to suggest that these gentlemen are in error; but on hearing the discourse of Premier King, we are left with no alternative but to believe that we are a lon g way from the true solution of the problem.

Post-Scripts

Shape of Things to Come

DYMAXION is a house which can be ordered at three o'clock for occupancy at dinner, says Review of Reviews. Buckminster Fuller, sometime Harvard student, textile mill machinery expert, salesman, accountant, radio technician, thinker, and designer of the hurry-up home, had previously invented an automobile of the same name, and quite as unconventional.

The Dymaxion home is constructed about a central steel mast, surmounted by a cellulose cone. The mast contains the lighting and heating elements of the house; the cone permits full entry to all the rays of the sun which, once within the house, are reflected by polished metal surfaces into practically every corner.

There is no plumbing—Mr. Fuller would have water delivered as milk is today. For baths, use would be made of a fog gun spraying the body with a mixture of compressed air, atomized water, and a very small amount of solvent. All refuse and waste, dry packaged, would be turned into methane gas, which would then be employed to run generators supplying light and heat.

Cooking would be done in a couple of minutes by literally stewing the food in its own juice, aided by a partial vacuum. All shelves revolve; rooms are to be of cotton fabric; floors pneumatic.

Folks in Finance

Mormon and Banker

RECENTLY a member of the staff of The Financial Post was in Washington and sought an appointment with Marriner S. Eccles, chairman of the Federal Reserve Board. The appointment was fixed at 5.30 in the afternoon.

This was a little disturbing. Would it be possible to have any adequate interview with a busy man when the appointment was fixed at an hour after most Washington offices had closed up for the day? The Post man was told not to worry; Mr. Eccles was never in a hurry to go home.

He found that this was true. At 7.30 the interview broke up on the initiative of the visitor. Mr. Eccles then turned to his desk and started to go through a big pile of letters.

A little enquiry revealed that Mr. Eccles is somewhat unorthodox in his hours of toil. He usually arrives between 10 and 11 in the morning and works through until he feels like going home. This is almost never before 8.30 at night and it may be at 2 o'clock the next morning.

Mr. Eccles is from Utah. He is still a young man, seven years older than our own central bank governor, Graham F. Towers. A Mormon, he inherited a vast estate from his father and was thrown into a big job of management and control at the age of 22. He found himself controlling banks, industries, mines, hotels, lumber mills, etc. He set up a holding company and hired the best men he could find to help him. He extended his banking interests across two states and greatly increased his patrimony. Bankers point with envy to the way his enterprises came through the depression.

He has had no college education and only such banking experience as could be obtained by a man engaging experienced banking executives to run his enterprises for him. **Today he heads the world's largest central banking system** and is, along **with Montagu Norman**, one of the **key men in the world's** banking and **monetary system.**

Three weeks ago he had a visit from Mr. Towers and entertained the Bank of Canada's chieftain at luncheon. "We enjoyed the luncheon. Listening to Mr. Towers is a liberal education," he said to The Financial Post's representative.

Stop Me If You've Heard This One . .

"Were you presented at court when you were in England?"

"Yes and had to pay five pounds fine."

In The Mail

(Not over 200 words, please)

Thanks to "Mitch"

Editor, The Financial Post:

It always gives one a feeling of thankfulness to note the return of a sinner to the path of rectitude. And when the "sinner" sits in the seats of the mighty, in the mightiest province of this mighty Dominion, our thankfulness reaches lyrical proportions.

The fact is, that ever since "Mitch" Hepburn took the wrong turn on the Hydro Road he has been under a cloud. The Post, along with the other solid journals of the East, have dealt rather hardly with the popular idol. Now, all is changed. Mr. Hepburn has come down solidly on the side of law and order. He has castigated the deep dyed Reds of the John L. Lewis variety.

By this act of statesmanship he has re-entered into the esteem of thousands, who a few weeks ago thought him just a fakir. The Post, recognizing the return of the prodigal, has very rightly forgiven him all, and tens of thousands of readers of The Post, who may have been in doubt as to the statesmanlike character of Premier Hepburn, will doubtless be now kneeling down at their bedsides and intoning a chant to Herr Hepburn.

Long may The Post pose as the champion of returned prodigals, especially those who take firm stand against the presumptuous working classes.

W. E. SIDDALL.
Vancouver, B.C.

Editor's Note.—The Financial Post will continue to criticize Mr. Hepburn when he is wrong, praise him when he is right. Were Mr. Hepburn's stand against Labor and its rights The Post would be against him on the C. I. O. issue. It backs him for reasons clearly presented in "The Nation's Business" column last week.

The Price of Gold

Editor, The Financial Post:

I read with considerable interest, and I might say satisfaction, your article in this week's "Post" headed "Roosevelt Sees Gold Purchases as Recovery Aid."

I am of the opinion you have done a good job in the interests of your readers and especially those directly interested in investments. I feel we should lose no time in expressing appreciation of this fine service at this particular time, especially when facts and common sense seem to have dominated your line of thought.

I have casually scanned head lines and articles in many papers and periodicals during the past few weeks in an effort to arrive at some definite conclusion as to the underlying causes of the disturbed condition in world Security and Commodity markets, but in my opinion, "News" has been so conflicting, the release of much of it has done more harm than good in allaying fears of a possible continued recession in prices generally in world markets and producing a very disturbed condition of far-reaching importance.

Your statement that "The U.S.A. has underwritten World Recovery," I think, is well taken, although I have thought chivalry had long ago taken flight from the American business world. I agree, however, they have not had the support and help deserved, in a monetary way, from other leading nations, at least it would appear that way. To have so much responsibility and influence rest with practically one man who seems to be given to sudden impulses and outward expression of opinion is surely a highly dangerous situation.

INSURANCE EXECUTIVE.
Ottawa.

The Immigration Problem

Editor, The Financial Post:

I read with interest but not satisfaction the article by McMaster, professor of economics, in The Financial Post of April 10, "The Open Spaces a Fallacy." His diction, I submit, far surpassed his discernment.

The writer states the immigrant came because opportunities were better in America. No doubt of that, and surely they are still better, notwithstanding our unbalanced economy. He observes, though, during this period our native Canadians, for most part, crossed over to U. S. in a number almost equal. Of course and for the same reasons that the immigrant came, because opportunities were better.

He reiterates prosperity was first in sequence to immigration, but is careful to admit this does not mean that immigration did not contribute to prosperity. Yea, it is the very life stream of prosperity. What raised the great Republic on our southern border to its present pinnacle in the comity of nations—a new continent and immigration? What happened when immigration was cut off? The answer is plain. And our Governments in Canada, with altogether different conditions existing, were inept and short-sighted enough to copy the closed door policy of U. S. with the results we see.

Indeed, this economist has reached the doleful conclusion that the absorptive capacity of this Canada of ours is now confined to the natural birth increase. He seems to have concluded that the additional number we can absorb is the number we can employ in urban industry, and that there are too many on the land now. But this scribe says: nay, nay, our basic ailment is, too many cluttering up our towns and too few on the land. Our foundations in tillers of the soil are corroding, and we have neglected renewing through immigration.

I may "see through a glass darkly," but to me it is as clear as noon day, that what Canada needs most of all in the economic sense is immigration. If Canada cannot prove herself an Empire builder, and fill these empty spaces, then the task, the paramount duty for such will most assuredly pass to more worthy hands.

What is the absorptive capacity in additional population for this country? I answer, another 10 million people from other lands inside the next 20 years, who have the necessary means and character to settle this great hinterland of ours. And it will be the duty of our Governments to cooperate in every possible way and generously aid such colonization. This national undertaking may well be Canada's greatest enterprise, and yield dividends beyond compare.

E. S. RUTLEDGE.
Fort William.

Week in Business

Drop in Commodities Promises Stable Prices

Threat to Increasing Purchasing Power Relieved — Restrictions Eased on Production — "Tenth" Province Disappears

Recent sharp checks in commodity prices relieves for the time being a potent threat to business recovery.

All through last fall and winter there was an almost uninterrupted rise in the cost of raw materials. More recently these increased values were beginning to be reflected in the price of finished goods. Advances were coming in such quick succession that the average merchant could no longer glibly reel off current prices.

Eventually had the rise continued there must have come an inevitable sharp restriction in general purchasing. This would particularly hit the buying of semiluxury goods, sales of which have been increasing rapidly in the last six months. Now, however, the drop in commodity levels offers some indication of general price stability and a continuance of improving volume of Canadian business.

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Any stability at this time will be of more than average significance because there was beginning to develop a feeling that some recent advances were not altogether justified. Temporary shortages in certain cases were felt to have been exploited.

In any case there are unmistakable signs that the depression policy of restricted world production is being discarded in favor of greater volume at moderate values. Regulations governing production of such things as copper, rubber, oil, wheat, coffee, tea and other commodities have been lifted. If continued this trend will, of course, greatly increase the amount of goods at the disposal of general business and in the end probably be of more benefit to producers than even a successful restrictive policy.

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Backward weather, particularly in eastern Canada, has materially checked seasonal business in the past week. One solid week of warm sunshine would do much to get spring goods moving. Clothing, travel, oil and gas, motor cars, seeds, farm implements, building and house improvement materials would all benefit. The urge to buy is there and also a considerable improvement in purchasing power over other years due to wage increases. The only thing lacking to date has been genuine spring weather.

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Business Indicators

Foreign Trade has been showing continuous improvement so far this year. Total of imports and exports for March was very much better than for same month a year ago and cumulative for first quarter almost double showing in 1936. Newsprint exports, however for March were down slightly.

Motor industry—Latest figures confirm substantial improvement in this industry. Sale, factory output, and financing of both new and used cars all substantially better in March as compared with same month in 1936. Cumulative for first quarter very much ahead of last year. Recent strike tie-ups now generally settled, will undoubtedly hit April statistics, but it is believed will be largely offset by greater output in May. March exports show slight drop, but with much of Canada's foreign trade in this product done with Southern Hemisphere countries where fall is now commencing, such a decline is to be expected.

Railways — Statistics continue favorable with gross earnings of both lines higher and big gain in C.N.R. net. For first quarter of 1937 C.N.R. net up over 30 times same period a year ago.

Life Insurance — Total sales March up about 5%. It is significant that every province except Alberta registered gains.

Bank Debits—Twenty-eight of 32 reporting clearing houses showed greater volume of debits in the first quarter of this year than in 1936. All sections of the country apart from the Prairies shared in the gain. The advance is attributed to improved business generally and to higher prices in both commodities and stocks. Dullness in the west largely reflects the reduction in grain trade, liquidation of Canada's former surplus having been largely completed.

Current trend of Canadian business is revealed in the following statistics especially compiled by The Financial Post; new figures this week being marked thus▲:

	WEEKLY DATA —Latest— 1937	1936	—Cumulative Total— Jan. 1 to date 1937	1936
Transportation—				
Car loadings (Apr. 17)	▲46,865	40,235	704,854	628,838
C.N.R. gross earn. (Apr. 21) .. $	▲3,878,043 $	3,595,061 $	56,929,480 $	51,324,478
C.P.R. gross earn. (Apr. 21) .. $	▲2,610,000 $	2,355,000 $	39,887,000 $	36,626,000
Business Conditions—				
Weekly index D.B.S. (Apr. 17)	▲111.8	105.0	......	......
MONTHLY DATA				
Business Conditions—				
Financial Post index (Mar.) .	118.3	106.0	......	......
Transportation—				
C.P.R. net revenue (Feb.) .... $	990,739	887,397	1,904,248	1,479,969
C.N.R. net revenue (Mar.) .... $	▲1,762,380 $	941,533 $	2,317,496 $	76,741
Iron and Steel (Mar.)—				
Pig iron production (tons) ..	70,988	55,009	199,381	172,096
Steel ingots and castings prod. (tons)	125,104	101,092	352,164	294,682
Automobiles (Number)—				
Passenger Cars:				
Domestic sales* (Mar.)	▲13,378	9,490	30,701	18,548
Factory output (Mar)	▲19,313	14,488	48,737	36,602
Trucks and Buses:				
Domestic sales*	▲2,924	2,206	6,666	4,237
Factory output (Mar.)	▲5,588	3,533	15,454	7,969
Exports (Mar.)	▲7,100	7,613	16,850	18,818
Construction—				
Building permits (Mar.) ..... $	6,654,516 $	2,368,537 $	10,470,129 $	5,592,471
Contracts awarded (Mar.) ... $	16,058,100 $	10,289,100 $	31,409,100 $	32,127,200
Newsprint (tons)—				
Production (Mar.)	301,110	243,900	864,333	693,424
Exports, tons (Mar.)	▲294,934	356,563	777,422	625,525
Sugar (lb.)—				
Melting & sales§ (raw)	22,026,102	20,434,690	43,699,603	41,489,975
Manufactured§	20,934,196	20,769,861	42,886,466	44,814,535
Flour (bbls.)—				
Production (Feb.)	999,694	1,019,017	2,008,324	2,001,005
Wheat flour exports (Mar.) ..	390,315	476,773	1,052,122	1,131,186
Trade—				
Retail trade (index no. of sales) (February)	76.8	69.4	......	......
Imports (March) .... $	▲70,973,658 $	52,665,119 $	171,537,160 $	104,852,793
Exports (March) .... $	▲88,326,529 $	73,445,474 $	247,433,977 $	200,987,488
Wheat exports (bus.) (Feb.) ..	5,362,031	14,241,169	15,151,058	21,798.489
Employment D.B.S. Index (Apr. 1)—				
All industries	▲103.0	97.4	......	......
Manufacturing	▲110.8	101.1	......	......
Electric Power Output (Mar.)—				
Total monthly m.k.h. (000's omitted)	▲2412,259	2,135,640	6,876,743	6,165,115
Other Industrial Indices				
Lumbering:				
Plank & board exports M. bd. ft. (March)	148.837	142,062	426,606	309,655
Boot & shoe prod., pr. (Feb.) ..	1,929,500	1,835,240	3,411,517	3,349,199
Crude petrol., imp. gal. (Feb.)	52,419,321	39,654,916	107,058,972	100,786,265
Cotton imports, lb. (Mar.)	15,462,512	13,558,113	42,770,417	45,221,720
Raw rubber imp., lb. (Mar.) ...	5,851,745	4,052,065	12,354,403	12,246,613
Coal imports, tons (Feb.)	486,528	530,842	1,061,405	983,520
Cigarette cons. (Mar.) No.† ..	▲435,537	371,089	1,301,048	1,045,565
Finance—				
Bank debits (Mar.)† .... $	▲3,189,836 $	2,598,811 $	9,149,126 $	8,356,328
Bond sales (Mar.) .... $	83,355,539 $	121,846,225 $	389,151,231 $	411,292,114
Life insurance sales (Mar.) ... $	▲31,998,000 $	30,552,000 $	90,301,000 $	92,733,000
Automobile Financing (Mar.)—				
Used cars .... $	▲2.625.014 $	1,770,044 $	5,688,844 $	3,747,176
New cars .... $	▲3,317,005 $	2,192,004 $	7,091,232 $	4,348,527

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For 4 weeks to Feb. 27. ‡Deficit.

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Four Areas Record Gains In Business

Prairie Provinces Show Slight Decline in March

CONSTRUCTION UP

Moderate gains in business activity were shown in each of the economic areas except the Prairie Provinces where a slight recession was recorded. The marked gains of the last six months or so in eastern areas were extended in March, resulting in new high points on the present movement. The position in the Prairie Provinces was somewhat different, a declining trend having been shown for the last five months. A slight gain was shown in British Columbia in March, reversing the trend of the preceding five months.

Building permits recorded gains in three areas while the output of power moved up in each of the areas except the Maritimes The adjusted index of employment recorded expansion in Quebec, Ontario and British Columbia.

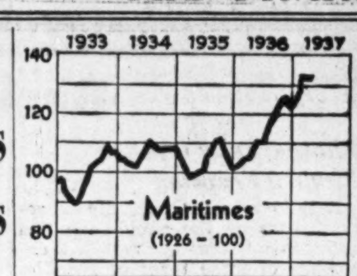
Maritimes.—New business obtained by the construction industry was at a lower level than in February. The activity of the industrial area of Sydney continued unabated, employment in the steel mills reaching nearly 3,500 men. A great part of the steel plant was active, the rail mill being an exception.

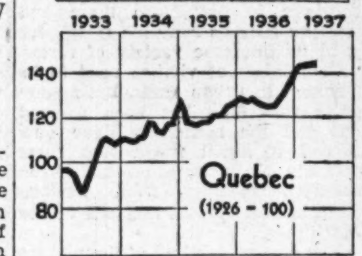
Quebec.—New business obtained by the building industry rose to a considerably higher point, gains being shown both in contracts and building permits. The gain in the index of electric output was 1.5%. Newsprint production, although showing a seasonally adjusted decline from the preceding month, recorded in actual volume a new high point in the history of the industry.

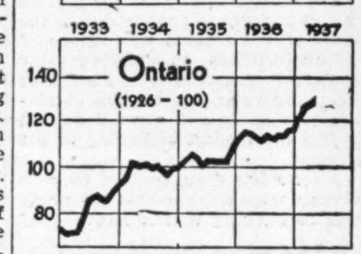
Ontario.—A sharp increase was shown in new business obtained by the construction industry. Gain in power output was pronounced, the index advancing from 160.3 to 170.5. A modest gain was shown in employment. Automobile production was nearly maintained, the index standing at 92.4.

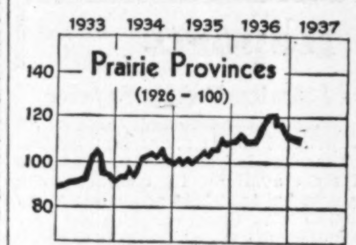
Prairie Provinces.—The construction industry was even less successful than in the preceding month in booking new business. The industrial employment showed a minor recession. Contrary to seasonal tendencies wheat prices advanced to a new high point in recent years. The average quotation for No. 1 Northern wheat was $1.356 against $1.270. The volume was 5,874,000 bushels against 3,181,000 in February.

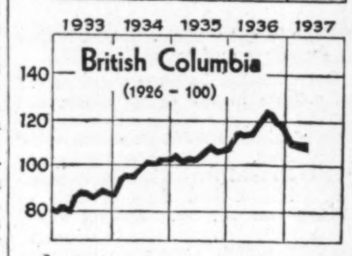
British Columbia. — Heavy placement of contracts for construction characterized the month in British Columbia. The contracts awarded rose to $2,162,000 whle building permits were $1,870,000. Index of employment rose 7.5%.











TREND OF BUSINESS

	Mar., 1937	Change from 1936
Maritimes		
Construction contracts.$	618,000	+148.2
Building permits .....$	103,000	+ 2.0
Life insur. sales ...$000	1,916	+ 2.5
Bank debits ...$000.000	78.1	+ 68.3
Electric pwr. .kw.h. 000	77,175	+ 26.6
Employment ..1926=100	105.4	+ 3.5
Ton. of vessels cleared .	729,906	+ 0.1
Index	133.5	+ 24.9
Quebec		
Construction contracts .$	3,921,000	+ 5.0
Building permits .....$	640,000	+ 36.8
Life insur. sales ...$000	9,044	+ 4.5
Bank debits ...$000,000	1,143	+ 38.9
Electric pwr. .kw.h. 000	1,058,895	+ 16.7
Employment ..1926=100	102.2	+ 11.8
Imports of raw cotton.lb.	15,462,512	+ 14.1
Newsprint prod. .. tons	301,110	+ 13.8
Index	146.4	+ 13.8
Ontario		
Construction contracts $	8,876,000	+102.5
Building permits .....$	3,909,000	+240.5
Life insur. sales .. $000	14,661	+ 6.1
Bank debits ... $000,000	1,411	+ 22.5
Electric pwr. ..kw.h. 000	793.243	+ 7.5
Employment .. 1926=100	108.8	+ 5.2
Livestock slaughterings 1926=100	156.4	+ 25.2
Steel prod. ....tons	125.104	+ 23.8
Automobile prod. .. No.	24.701	+ 37.1
Index	125.0	+ 9.5
Prairie Provinces		
Construction contracts $	480,000	— 67.2
Building permits .... $	132,000	— 9.0
Life insur. sales $000	3,733	— 2.2
Bank debits $000,000	370	— 10.4
Electric pw.r . kw.h. 000	178,077	+ 5.0
Employment ..1926=100	89.4	— 1.2
Wheat receipts ...bush.	5,874,000	— 18.1
Wheat prices . Cents and eighths of a cent per bushel	135/5	+ 65.1
Index	110.3	— 1.6
British Columbia		
Construction contracts $	2,162,000	+374.1
Building permits .....$	1,870,000	+269.6
Life insur. sales ...$000	2,387	+ 6.2
Bank debits ...$000,000	186.5	+ 13.0
Electric pwr. ....kw.h.	132,170	— 1.2
Employment ..1926=100	97.5	+ 1.7
Index	110.0	— 1.1

Background of Business

Higher Paint Next?

Paint will soon follow other building materials upward if recommendations of the Canadian Paint, Oil and Varnish Association are carried out. At the recent meeting of that organization in Toronto it was proposed to advance the price of first-grade house paint 30 cents a gallon in eastern Canada and 25 cents a gallon in the four western provinces. Lower grades would be increased in proportion.

Association officials told Canadian Paint and Varnish Magazine that such advances were made necessary by the drastic rise in the cost of raw materials, containers and packagings in the past few months. While some paint manufacturers have covered themselves ahead on these advances most of them, it is stated, are now in the position of needing, new purchases at greatly increased prices.

There has been no general increase in paint prices for almost a year. Manufacturers report heavier demand for paint in the last two years. Recently the public has shown an increased preference for higher grade materials.

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Is There a Steel Shortage?

There is no shortage of steel in Great Britain, but an excess of demand, in the opinion of J. G. Goodenough, prominent British industrialist. Mr. Goodenough points out in the current issue of Hardware and Metal that there was a great difference between the two situations. "How long this prosperity will last I am not going to be rash enough to prophesy," he stated, "but we all know it will not last forever. I only hope that those persons who control our destiny in this matter will be sufficiently wise to try to cut their coat according to the cloth."

If Mr. Goodenough's prognostication is correct, significance to Canadian steel producers lies in the fact that once Britain's present rearmament programme is completed, exports of steel and steel products from the Old Country may again be expected. Such a reversal of the present trade would certainly alter the domestic steel picture with competition from a country which is now actually a customer of Canada for many steel products.

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Styles and the King

London tailors are speculating on the influence of the new King in the world of style. Like his predecessor Edward VIII, it is taken for granted that he will be publicized and have an important international influence, but this, it is generally believed, will be of more conservative trend with less attention paid to minor details. Men's Wear Merchandising comes to the conclusion that there will likely be a greater vogue for derby hats, white starched collars, less brilliance in colors of men's business suits, quieter neckwear and above all trends toward what are known as "correct" clothes for the proper occasion.

"It is true," states Men's Wear, "that the new King is quite conservatively dressed. However, he is always carefully turned out. It is said that his civilian suits are tailored by Davies, who dressed his father, George V, and is considered one of the most conservative tailors in London."

Unlike Edward, who spent a very considerable time in deciding the number of buttons on his coat sleeves and in choosing his sport shirts and shorts, George VI, it is stated, regards such details as of not the slightest consequence. He is said to have got his shorts at the various boys' camps in which he is interested or "off the peg" at some of the large London department stores or the Army and Navy Stores in London.

The Duke of Kent is now regarded as the best dressed member of the Royal Family living in England and his wife, Marina, the style leader among the British Duchesses.

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U. S. Rebuilds Herds

Livestock shipments from Canada to United States indicate that farmers in the latter country are beginning to rebuild their herds after the devastating droughts of the last two years. So far this year exports of mature cattle have been running somewhat heavier than a year ago. The most significant gain, however, is in export of calves where there has been a jump of from 7,000 a year ago to 22,000 this season. This indicates unmistakably that either American farmers are buying Canadian calves to build up their own herds again or they are withholding their own stock from market for the same purpose and American packers are turning to Canadian stocks for current supplies of veal. The bulk of the calves shipped to date have come from Ontario where there is a large annual surplus.

Unless United States revises the trade treaty inaugurated a little over a year ago, however, it is possible that this trade may cease suddenly as the annual quota under the agreement for calves only amounts to slightly over 52,000. In mature cattle, however, there is a quota of well over 150,000 and exports so far only amount to 57,000.

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N. B. Regulates Trailers

Trailers in New Brunswick under the new motor regulations must not be used in connection with passenger cars or light delivery trucks if the gross loads exceed 1,500 pounds, states Bus and Truck Transport. With each set of trailer plates there is issued a certificate showing the maximum gross load which the trailer is licensed to carry. It is an offense to use a trailer without this certificate in possession of the operator or to carry a load in excess of the amount officially permitted.

New regulations will not apply to tourists from outside the province.

Japan Plans New Pulp Mill

Manchukuo Enterprise May Affect Canadian Exports

From Our Own Correspondent

MONTREAL.—Canada's position in the Japanese rayon pulp market may be affected by plans now being worked out by the Manchukuo Government, in co-operation with the South Manchuria Railway Co., and the Oriental Development Co., for the establishment of a sulphite pulp plant in Manchukuo with a rated capacity of 50,000 and 60,000 metric tons a year.

During the last four or five years Japan has developed into an important market for the sale of rayon pulp. In 1936 imports amounted to 331,000 tons, an increase of 200% over that reported for 1932. Of the 1936 imports 156,000 tons came from the United States, 56,000 tons from Norway, 57,000 tons from Sweden, 28,000 tons from Canada, and 33,000 tons from other countries.

The importance of this move is of less significance to Canada than to the other countries. Canadian exports to Japan have declined considerably in recent years. This may be accounted for principally as a result of the restrictive measures applying on imports from Canada in 1935 and the subsequent commitments of Canadian suppliers, leaving smaller supplies available for Japan.

Air Advantage Favors Canada

Foreign Traffic Via Short North Route to Cut Expense

The proposed new all-British air route to the Orient via the north circle through Winnipeg, Edmonton, Yukon and Russia is 4,000 miles shorter than that followed by the American Clipper ships over the Pacific. It is expected that it will take two days less to fly and have a further advantage in that the longest single water hop is only one thousand miles in comparison with 2,300 miles which the Clippers must make via Hawaii. What is believed to be the first actual link of this route will soon be operating between Edmonton and Whitehorse, formerly Yukon Territory, now British Columbia, on July 5. This will connect with a Panama line from Nome, Alaska. It will bring people in Alaska within 33 hours of Chicago and thus it is expected that it will be a popular route for American officials and American mail between Alaska and United States.

On the international air routes of the future, both to the Orient and Europe, it is expected that the carrying of foreign mail is also going to give Canada a considerable advantage.

"If the Canadian air mail can ever work up to the stage where its planes can average 1,000 pounds of through foreign mail per trip, everything else will be gravy," George Herring, Chief Air Mail Superintendent of the Post Office Department, stated recently.

The carrying of this foreign mail, it is expected, will materially cut the cost of general air transportation in Canada.

Commodities

Erratic price changes in speculative commodities are continuing, and although commodity forecasters express the view that the reaction in prices from recent high levels has about run its course, the prevailing trend is still downward.

Wheat, copper, cotton and hides are included in the further recession, largely because speculators' war fears have subsided to a marked extent in the last week or two, but rubber, hogs and a few other items show steadier tendencies.

Purchasing agents and other close observers of the situation agree that the worst of the recession may be over but a period of selective markets is anticipated rather than a broad upturn. Seasonal and technical influences affecting commodity prices operate against the possibility of another sudden, sweeping advance such as the over-rapid rise that led to the recessions of recent weeks.

PRICE RANGE

	Latest week	Previous week	Same week last yr.
Cattle	$8.75	$9.00	$6.25
Hogs	9.40	9.25	9.00
Copper, lb.	.14½	.15½	.09½
Cotton, lb.	.1385	.1399	.1183
Rubber, lb.	.2318	.2250	.16
Sugar, raw, lb. ..	.0347	.0350	.0375
Silk, lb.	2.14	2.18	1.62
Wheat Man. (bu.)	1.27⅝	1.36¾	.79⅝
Coffee, lb.	.09	.09	.06⅜
Hides	.15½	.15¾	.10¾
Weekly Indices			
N. Y. Annalist	144.2	144.3	123.9
Fishers'	93.8	94.3	82.5
N. Y. Journal of Comm.	91.7	91.9	80.3
Crumps (Brit.)	83.4	83.4	67.5
U. S. Labor	87.9	88.3	79.5
Canada (D.B.S.)	86.0	86.7	72.2

Monthly Indices

	Latest month	Prev. month	Same last year
Canada (D.B.S.)			
Retail (Mar.)	82.0	81.7	80.4
W'sale (Mar.)	85.5	82.9	72.4
United States (Mar.)	143.5	139.4	124.9
Gt. Brit. (Jan.)	102.9	100.8	91.8

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1930 = 100 base. U. S. is Annalist 1913 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price. Toronto: Copper-electrolytic, New York: Silk—Japanese, 13-15, New York: Sugar — 96 degrees centrifugal c/f New York: Wheat—No. 1 Man. North Ft. W.-Pt. A. Basis: Hides — No. 1 packer light native cows: Hogs—select bacons, Toronto.

Attention to Investment Problems by Mail

Letters from clients asking for information on investment subjects or desiring to buy or sell securities receive prompt and careful attention. Transactions by mail with many of our out-of-town clients have been carried on for years with satisfaction.

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May Bond Letter

Included is detailed information covering four corporation bonds priced to give an average yield of nearly 5%.

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If you have any perplexing production, financial, sales or other problems that are counter-balancing fair profits, it will pay you to investigate May Methods.

$25,893 A YEAR SAVED IN PAPER MILL. After making a survey of a paper mill, employing 120 men, we promised a saving of $22,474 a year, if our methods were installed. In twelve months the actual cost reductions had amounted to: $3,492 in the Re-Winder Department; $7,128 in the operation of paper making machinery; $4,473 in the Finishing Room and $10,800 in the Supercalender Department.

39% INCREASE IN PRODUCTION IN DIE-CASTING DEPARTMENT. We presented a plan to a Toy Factory which stated that every dollar paid us for our services would net a return of $3.45. When the total percentages of savings in various departments were computed, we actually showed a return of $5.00 for every dollar in fees we received.

SHOE FACTORY SAVES $28,007. A well-known manufacturer had 125 employees manufacturing children's shoes with an annual payroll of $131,000. May Methods made the following savings possible: In cutting department 7.7%—in fitting department 18.2%—in bottoming department 19.2%—in packing department 18.1% and in sole leather department 100%. Savings totalled $28,007 against the $22,010 promised.

15% REDUCTION IN WIRE MILL PRODUCTION COSTS. The management was skeptical when we presented our preliminary survey report showing a 15% estimated reduction in the manufacturing cost of three plants and wire mill, amounting to $28,440. But three years after we left our plan is still working . . . better than when we finished.

ENGINEERS

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CHICAGO, 2600 North Shore Ave. — SEATTLE, 710 Second Avenue — ATLANTA, 134 Peachtree St. — NEW YORK, 122 East 42nd St.

In The Construction World

Any factor having a tendency to raise building costs in Canada or to create labor cost uncertainties also has a direct influence on the revival of building activity this year. Not the least controversial development in that direction was the institution of codes in Ontario, one of which was recently found ultra vires, in the opinion of Justice J. McEvoy.

Regarded as a test case, the conviction of a Toronto plumbing and heating firm under the Industrial Standards Act, by a Toronto magistrate, was based on the charge that the firm paid to an employee less than the minimum wage established by the schedule of wages agreed upon in the Toronto zone. In rendering an opinion on appeal, the Ontario Supreme Court justice declared that in his opinion the order-in-council approving the schedule and the schedule are ultra vires, "in that the schedule, as worded, exceeds the power granted by the statute."

Commenting on the situation arising out of the Ontario Supreme Court's opinion, Sanitary Engineer foresees the possibility of a conference of the plumbing and heating trades in the near future to draft a new agreement. The same view is held by an Ontario Department of Labor official on the ground that the decision makes the present agreement inoperative. It is probable that further amendments to the Industrial Standards Act will be necessary before it emerges from the rough road it has travelled since 1935.

Building Figures Soaring at Coast

Bridge, Elevator Projects Boost Total in Vancouver

Building permits issued in Vancouver for a bridge, grain elevator and airplane hangars during March boosted the total of the city's building permit to more than five times the total of March, 1936.

Permits included one for a grain elevator, totalling $647,000, a permit for a bridge at $270,000 and R.C.A.F. airplane hangars at $221,000. Against these items the total value of permits for dwelling houses amounted to only $354,970.

With other projects, the total for all building permits soared to $1,754,630, compared with $355,905 for March of last year. To the end of March this year building permits now amount to $2,116,770 compared with $1,823,480 in the first three months of 1936.

Both figures are considerably over the $422,410 reported for the first three months of 1935, however.

Balfour Building Earns 3.47% on Its Mortgage

Balfour Building, Montreal, was 98.8% rented at April 1, 1937. On the basis of this percentage of occupancy, annual gross revenue is $83,864. After expenses of $56,723 and provision for loss on rental collections of $1,000, a balance of $26,141 would be available for bond interest before depreciation. Bond interest at the present rate of 4% per year would require $30,112, leaving a loss of $3,971.

Taxes due amount to $18,563 including $2,633 of accrued interest. Taxes for 1935-36 have been paid, leaving only 1936-37 taxes due. Rental arrears amounted to $1,994 at March 31, 1937. Interest on the $752,800 first mortgage bonds has been reduced to 4% to Oct. 1, 1937, and payments due Oct. 1, 1936, and April 1, 1937, have been postponed to permit payment of taxes.

Mayor Building Net Equals 5.56% on Bonds

Mayor Building, Montreal, was 89.01% rented at April 1, 1937. Present levels of rentals and occupancy will provide annual gross revenue of $80,764. Annual expenses approximate $46,000 and estimated loss on rental collections $2,500, leaving $32,264 available for bond interest before depreciation. Bond interest at the adjusted rate of 4½% amounts to $26,123, leaving a surplus of $6,141.

Rental arrears at March 31, 1937, were $3,961. All 1935-36 taxes had been paid but a balance of $2,805 was due for accrued interest. Tax payments for 1936-37, which are due in April, amounted to $13,293. Interest on the $580,500 of 6½% first mortgage bonds has been reduced to 4½% to Nov. 1, 1937.

Kensington Manor Apts. Makes Interest Payment

Holders of 7% first mortgage bonds of Kensington Manor Apartments, Windsor, Ont., will receive payment of interest which became due April 20, 1931, together with simple interest at 5% to April 20, 1937. Payment will be made by the London & Western Trusts Co., Windsor, Ont. Holders of matured bonds are required to present their bonds for endorsation of the amount paid on the securities.

The last payment on these bonds was made on Aug. 20, 1936, and covered the interest due Oct. 20, 1930.

National Steel Car May Expand Plant

National Steel Car Corp., Hamilton, has invited a number of contractors to submit tenders for the construction of a new railway car-finishing plant.

No intimation has been given as to whether the project will be commenced immediately. The cost is estimated at about $250,000.

The new plant will provide an additional 50,000 sq. ft. of manufacturing space and will have facilities for the construction of 24 cars at one time. Architects state that it will be the most modern unit of its kind on the continent.

Three Plans Under Way For Low Cost Housing

Halifax Group Hopes For Dividends — Winnipeg and Regina Ask Grants from Provincial, Federal Governments For Civic Schemes

Halifax and Winnipeg are launching new attacks on the problem of providing low-cost housing for citizens in the low-income groups. Halifax hopes to pay a dividend from renting houses at $15 a month, but Winnipeg is content to plan on a non-profit basis providing a loan and subsidy can be arranged with provincial and Dominion authorities. Winnipeg's problem, primarily, is improvement of slum conditions.

A group of prominent Halifax businessmen, have formed the Halifax Housing Corp. Ltd. The new corporation has optioned a site large enough to build 50 homes.

A total of 75% of the financing will be supplied by the Nova Scotia Government, it is expected, under an act passed by the Legislature this year. Under the legislation the company is required to secure the other 25% from the public, the plan being carried out under the supervision of the provincial housing commission. The City of Halifax has agreed to exempt any company of this type from taxation for a period of 20 years.

Blocks of 12 Houses

Present plans call for construction of houses in blocks of 10 or 12, attached, and each will consist of a large combined kitchen and living room, a bedroom downstairs with two bedrooms and bath upstairs and a basement for coal, kindling and storage. The Halifax Housing Corp. intends to rent the structures at $15 per month or from $3.50 to $4 per week including water rates.

Sites under option are in a built-up district and the houses will be of permanent construction using bricks or hollow tile and stucco. Complete insulation will be provided to reduce stove heating costs to a minimum and plumbing equipment will include provision for a hot water boiler.

Sufficient ground space is being allotted to provide a rear area for each house extending from 35 to 40 feet.

Hope to Pay Dividend

Tenders are being asked for construction of the houses and if these are satisfactory, the company will seek the balance by making an offering of shares.

The Halifax Housing Corp. has retained an architect and the plans and specifications are now being completed in preparation for tenders.

Officers of the company are Halifax businessmen, including Col. Sidney C. Oland, president; J. H. Winfield, vice-president and W. A. Winfield, secretary. Directors are: D. R. Turnbull, R. J. MacAdam, C. J. Burchell and M. S. Clarke.

Winnipeg Seeks Subsidy

Winnipeg's Civic Housing committee has adopted a plan by which it is hoped to erect dwellings for workers with low incomes. The committee recently passed a resolution requesting the Provincial Government to co-operate in obtaining $400,000 as a loan from the Dominion and a $100,000 subsidy.

In return for this assistance, the committee is prepared to provide lots served with sewer and water facilities and place the management of the scheme in the hands of a housing commission, with construction on a non-profit basis. Civic representative on the housing committee express the view that the province is sympathetic to the project as a means of co-operating to relieve the serious slum conditions which exist in parts of Winnipeg.

Regina Wants Home Loan

Regina is another city now seeking Federal financial aid to permit inauguration of a $700,000 house building plan this year.

A special committee of the city council, headed by the mayor, recently placed its proposals before the Provincial Government. These included a request by the city that the Provincial Government approve the plan either in principle or in detail and pass the approval on to the Federal authorities and the National Employment Commission with a view to obtaining an advance or guarantee of about $700,000 for the scheme.

Erection is planned of about 200 houses to be municipally owned. The Saskatchewan Government is considering the proposal.

New Building

Canadian National Railways has called for tenders for the sub-structure of a bridge project between Fredericton and Devon, New Brunswick, to replace a structure swept away by ice last year. The whole project will involve an expenditure of $1,250,000, it is understood.

Geo. H. Hees, Son & Co., Toronto, is constructing a factory building at the rear of its existing plant at a cost of about $40,000.

* * *

Daily Commercial News & Building Record reports:

P. Burns & Co., East Calgary, is reconstructing its abattoir building at a cost of $100,000 including equipment. The building will be four stories in height, of concrete and steel, and brick construction.

Plibrico Jointless Firebrick Ltd. has purchased a two-acre site near New Toronto, and will erect a plant. No arrangements for construction have been made yet.

Holt Renfrew & Co. has applied for a building permit to erect a six-story building in Montreal at an estimated cost of $240,000.

Lincoln Canning Co. is erecting a new plant in St. Catharines, Ont.

* * *

Additions

J. M. Schneider Ltd. is adding a $10,000 unit to its packing plant in Kitchener, Ont.

John Forsyth Ltd., shirt manufacturers, has received a permit for a $30,000 addition to its Kitchener, Ont., plant.

Meredith Simmons Co., Toronto manufacturers of adhesives, will construct a one-story addition to the plant, to contain some 8,600 sq ft. of floor area.

Link-Belt Ltd., Toronto, has announced plans for construction of a two-story addition to the chain-shop unit to take care of expanding production of products used by mining, saw mill and pulp and paper industries.

Drug Trading Co. will construct an addition to its warehouse in Toronto at a cost of around $19,000.

* * *

Daily Commercial News and Building Record reports:

Shipping Containers Ltd. is making an addition and alterations to its factory in Montreal. Cost is estimated around $8,000.

Laura Secord Candy Shops is constructing a $15,000 addition to its factory in Toronto.

Dominion Cellulose of Canada is constructing a $15,000 addition to its plant in Toronto.

Hodgins Lumber Co., Cornwall, Ont., is building a $12,500 addition to its woodworking mill.

Courtaulds Ltd. is building an addition to the shipping department building in Cornwall, Ont.

Canadian Cottons, Cornwall, Ont., is making a further plant extension. A new warehouse and dyehouse additions were constructed since last October.

Sun Life Assurance Co. of Canada is spending about $10,000 on alterations to its building in Ottawa.

Fyon & Fyon, Montreal, are erecting a detached extension to the company's plant at a cost of $16,000.

Aulcraft P[illegible]nt Ltd. is erecting an addition to [illegible] Toronto factory.

Tip Top C[illegible]ers, Burlington, Ont., has comme[illegible] construction of an $8,000 additi[illegible] to its cannery.

Dominion [illegible]ass Co., Hamilton, Ont., is plann[illegible] a $125,000 addition to its plant. The company has invited preliminary cost finding estimates from a selected closed list of general contractors.

Anaconda American Brass Ltd. is extending its plant at New Toronto.

* * *

Contemplated

Remington - Rand Ltd. contemplates a plant extension in Hamilton which would increase the present plant capacity by one-third.

* * *

Daily Commercial News and Building Record reports:

Proctor & Gamble Co. of Canada is planning construction of a $70,000 office addition in the spring of next year.

Canadian Pacific Railway Co. plans erection of a $60,000 addition to its roundhouse at Sherbrooke, Quebec.

Canada Cycle & Motor Co. contemplates construction of a large addition to its plant at Weston, Ontario.

Canadian Atlas Steels has purchased a site adjoining its present premises in Welland in contemplation of construction of an office building.

O'Neil European Machine Co. contemplates construction of a factory at Ville La Salle, Quebec.

General Brock Hotel Shows $19,553 Surplus

Balance Sheet of the General Brock Hotel Co., Niagara Falls, Ont., as at Dec. 31, 1936, shows current assets of $38,086 and current liabilities of $21,662, leaving working capital of $16,424. This is the first statement to be issued by the company since the change in control and reorganizaton of 1934.

An accumulated surplus of $19,553 is shown at Dec. 31, 1936. Funded debt includes the 6½% first mortgage held by the Sun Life Assurance Co. amountng to $245,070 wth accrued interest. This mortgage was originally issued for $250,000 and semi-annual maturities of $6,250 began Dec. 1, 1936, when the first payment was made. No interest has been paid on the $691,500 3% second mortgage income bonds. Interest on ths issue becomes a fixed charge beginning June 1, 1937.

The company shows fixed assets of $467,419 from which is deducted depreciation reserve of $38,292. Goodwill is shown at $580,000. No income statement has been issued.

Ontario Building Is Fully Rented

Ontario Building, Montreal, was 100% rented at April 1, 1937. On this basis annual gross revenue is estimated at $78,761. Annual expenses approximate $42,000 and estimated loss on rental collections $1,000, leaving net earnings available for bond interest at $35,761 before depreciation. This amounts to 4.22% on the $800,000 of 6½% first mortgage bonds.

Interest on the bonds was reduced to 3½% to March 1, 1936, and coupons due Sept. 1, 1936, and March 1, 1937, have been postponed to permit payment of tax arrears. Total taxes due at March 31, 1937, amounted to $7,471, including accrued interest. Rental arrears at March 31, 1937, were $1,180.

Dominion Tar to Vote On Amended Compromise

From Our Own Correspondent

MONTREAL.—Dominion Tar and Chemical Co. has called special meeting of preferred and common shareholders to be held May 14 next.

These meetings, it is indicated, are made necessary because there was an amendment in the terms of the compromise or arrangement as approved at special meetings held April 14. Under the new arrangement dividend paid on the preferred is to be 5½% instead of 5% and a prop[illegible]sed payment of $2 in cash per prefe[illegible]red share is not to be made.

Nova Scotia Steel Contract Accepted By Coal Miners

From Our Own Correspondent

MONTREAL.—Nova Scotia Steel & Coal Co.'s wage contract, covering increases of 8% and 7%, has been accepted by the miners. A total of 1,636 men out of an approximate working force of 1,870 cast votes in the referendum. The result was a three for one vote in favor of accepting the contract.

Hamilton Bridge Business Better

Earnings Expected to be Best Since 1930

Expectations are that earnings of Hamilton Bridge Co. in 1937 will be the best since 1930, when the company earned a net profit of $303,340 after depreciation.

Major contracts received this year to date exceed in volume the full year's business in 1936, W. B. Champ, president, informed shareholders at the annual meeting on April 26.

Works under contract include the First Narrows bridge and First Avenue bridge in Vancouver and the C.N.R. bridge at Fredericton over the Saint John River. General business is also reported to have shown improvement.

In order to take care of this additional business the company is reopening its east end plant in Hamilton.

F. W. Grant, K.C., Midland, Ont., has been elected to the board of directors, replacing Frank G. Wilson, of Saint John, N.B.

Rackets

Photography and Picture Framing

Despite repeated publicity in recent years on the photograph and enlargement-framing rackets, exponents of these types of swindles continue to perpetrate them and trusting citizens continue to fall for it in its immense variety of forms.

Complaints of victims used to be frequent in urban areas, but apparently that field has been worked out and the racketeers have now turned to small towns and rural districts. Such operations have been reported recently from western Ontario and various sections of the Maritimes.

The current method of the picture racket appears to have added to the lures of the scheme the chance of winning prizes in "photographic contests." Business is first solicited for photo enlarging, but the obtaining of a photo and a small deposit is just the modest beginning of the scheme.

After a few days, western Ontario victims were advised that the photo was so striking that it had a good chance of winning a prize of $50 or $75 in a competition. The catch is that in order to be entered, the photo must be framed — and the agent is of course ready to provide a suitable frame at $15 or $20. A little later, it is reported that the enlarged and framed photograph (which the victim has not yet set eyes on) has won a $50 prize.

Now the high pressure is really turned on, and the victim is induced to enter the picture in a second contest, for which a $60 gold frame is required. A $25 deposit is accepted for the "gold" frame, and of course the photo again wins a prize—this time of $100. A cheque for $150 is presented to cover the prizes in the two contests. But the cheque is post dated, and before the date when it is cashable and when it is found to be worthless, the agent has extracted from his victim an "entry fee" to file the photo in an "international contest" in which the prize is $150 or $200.

The final upshot is that the "prize cheque" is no good, the agent can never be found, a check-up reveals that no contests as described were ever held, and the victim is not only out anywhere from $50 to $100 but never even gets back his original photo.

In the Maritimes, a variety of schemes extracted considerable sums from citizens. One group of canvassers purported to be soliciting photos for "press associations" and "forthcoming publications." Another collected registration fees for submission of children's photos "for use by advertising agencies." A third swindle closely resembled the photo competition racket in western Ontario, except that children's photos were sought.

Company Reports

Sherbrooke St. Realty

Sherbrooke Street Realty Corp., operating the Medical Arts Building, Montreal, reports a smaller net loss in 1936 than that shown for 1935. Most of the change is due to a somewhat smaller provision for doubtful accounts as revenue is a little lower.

No change has been made in the company's funded debt which remains at $595,500 of 6½% first mortgage bonds, due 1940, and $150,000 of 8% second mortgage income bond, since date of issue.

Profit and Loss Account
Years Ended Dec. 31

	1936 $	1935 $
Revenue	96,263	99,240
Less: Oper. exps.	51,051	49,038
Alterations	5,591	7,639
Taxes	16,147	15,756
Bad debts w/o	5,337	3,872
Res. for doubt. accts.	......	5,000
Oper. profit	18,137	17,935
Less: Depreciation	24,928	25,039
Bond int., current	19,354	19,321
Bond int., accrued	19,354	19,354
Bond int., adjust.	......	1,489
Loss for year	45,499	47,268

Working Capital

	1936 $	1935 $
Current assets	39,189	55,258
Current liabilities	*59,448	55,948
Excess of current liabs. over current assets	20,259	690

*Includes accrued and unpaid interest of $45,159.

Trail Apartments

Trail Apartments, Trail, B.C., had a small increase in net earnings in 1936 as compared with 1935. The net profit was equal to $3.63 a share in 1936 compared with $3.47 a share in 1935. Dividends of $3 a share were paid.

Bond sinking fund has increased to $14,296 from $12,112. Outstanding bonds remain at $40,000.

Income Account
Years Ended Dec 31.

	1936 $	1935 $
Rental income	10,516	10,525
Other income	229	251
	10,745	10,776
Less: Expenses	5,401	5,363
Depreciation	2,069	2,069
Bond interest	1,720	1,860
Net profit	1,555	1,484

Working Capital

	1936 $	1935 $
Current assets	4,485	4,885
Current liabilities	1,524	1,362
Working capital	2,961	2,523

Associated Telephone

Associated Telephone and Telegraph Co. gross earnings in 1936 totalled over $1.2 million, an increase of about $200,000 over the previous year. Net earnings available for interest on the debentures totalled better than $1 million, compared with $896,217 in 1935. Net income was equivalent to $3.53 a share on the first preferred stock, as against $1.78 in 1935.

The balance sheet shows a reduction in net working capital during the year from $826,148 to $665,789. The principal change among assets is a reduction in accounts receivable due from subsidiary companies from $563,592 to $152,457. Among the liabilities, reserve for deficits of associated companies, amounting to $514,084 was eliminated. In its stead a reserve was set up showing the intercompany profits received, amounting to $445,000. No change has taken place in the capital stock, but outstanding debentures increased from $11.4 millions to over $12.2 millions.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Gross earnings	1,249,532	1,057,334
Less: Salaries, dir. fees, legal exps.	143,597	130,568
Taxes	52,271	30,549
Interest on debt	689,350	628,633
General interest	1,361	65,727
Debt discount	65,326	58,651
Employ. benefit fund and conting.	34,400	......
Balance of income	283,227	143,206
Previous surplus	143,206	......
Add: Misc. items	81	......
Less: 7% pref. divd.	25,384	......
$6 first pref. divd.	31,148	......
Exps. with invest. in subsids. (non-recurring)	165,889	......
Surplus forward	204,093	143,206

Working Capital

	1936 $	1935 $
Current assets	867,485	1,100,618
Current liabilities	201,696	274,470
Net working capital	665,789	826,148

Nova Scotia Trust Co.

An increase in estates and trusts under administraton but a decrease in net profits for the year ended Feb. 27, 1937, is reported by the Nova Scotia Trust Co., Halifax. The company's busines is confined to Nova Scotia.

Transfers from profit and loss and from the investment reserve, which is stated to be greater than required, have brought the general reserve to $200,000 equal to about 42% of paid-up capital.

Shareholders' Position
Years Ended

	Feb. 27 1937 $	Feb. 29 1936 $
Rate earned per sh.	10.00	11.51
Divs. paid per sh.	7.00	7.00
Net profits	47,486	54,553
P. & L. surplus	17,720	15,523
Creditors' Position		
Certs. & deposits	1,377,891	1,230,942
Secured by:		
Liquid assets	51,646	54,530
Mortgages	1,326,244	1,176,412
Other net assets	692,420	670,224
	2,070,306	1,901,166
Estates, etc.	7,073,648	6,135,809

Jamaica Public Service

Though consolidated earnings of Jamaica Public Service for 1936 was somewhat larger than in 1935, net income available for common stock amounted to $98,904 as against $103,396 in 1935. Gross earnings last year totalled $875,424, an increase of about $16,000 over the year before. The decline in net was due to an advance in expenses and taxes.

Consolidated balance sheet shows no change in the captal stock, but during the year there was a reduction of about $29,000 in outstanding debentures. The retirement reserve was increased from $611,692 to $668,796, while a bad debt reserve of $15,589 was set up. Among assets the principal change was in property account which shows an increase of about $73,000 at over $4.1 millions. Cash resources remain about the same, but it is noted that the company has outstanding a call loan of $125,000.

Income and Surplus Account

	1936 $	1935 $
Gross earnings	875,424	859,397
Less: Expenses, taxes	529,670	508,822
Add: Other income	492	......
Balance	346,245	350,574
Less: Int. & amortiz.	103,779	102,936
Retire. reserve	90,000	90,000
Net profit	152,466	157,638
Less: Pfd. dividends	53,472	54,242
Common dividends	73,126	56,250
Surplus for year	25,868	47,146
Previous surplus	298,378	257,140
Adjustments	*16,647	*5,899
Surplus forward	307,608	298,387

*Debit.

Working Capital Position

	1936 $	1935 $
Current assets	540,041	540,591
Current liabilities	135,682	121,643
Working capital	404,359	418,948

Charles Gurd

Charles Gurd & Co. reports an operating profit for the 15 months ended March 31, 1937, of $189,987. For the 12 months ended Dec. 31, 1935, profits were $140,878. After deduction of prior charges, profits available for dividends totalled $48,954 as against $29,280 in the previous year. During the past year the company paid the regular dividend on the preferred and 20 cents a share on the common stock.

In the auditor's report it is pointed out that Charles Gurd & Co. (Maritimes) had a loss during the past fiscal period of $5,835 and Charles Gurd & Co. (Ontario) a loss of $18,303. Against these losses $4,856 has been provided for in the parent company's financial statement.

Charles Gurd's balance sheet as at the end of last March shows a reduction in outstanding preferred stock during the period from $260,000 to $250,000. The book value of the common stock stands at $725,364, a reduction of $24,999, which sum has been used to write down the goodwill account to $1. Current assets show an increase in cash on hand, a decline in accounts receivable and an increase in inventories from $170,857 to $199,985.

Income and Surplus Account

	15 Mos. Mar. 31 1937 $	12 Mos. Dec. 31 1936 $
Operating profit	189,987	140,878
Less: Taxes & licenses	75,121	56,795
Depreciation	36,593	32,201
Exec. salaries	17,100	16,600
Directors' fees	380	280
Legal fees	107	145
Income taxes	11,732	5,577
Net profit	48,954	29,280
Less: Pfd. dividend	22,575	18,200
Com. dividend	12,000	......
Surplus	14,379	11,080
Previous surplus	220,267	209,187
Surplus forward	234,646	220,267

Working Capital

	Mar. 31 1937 $	Dec. 31 1936 $
Current assets	371,812	348,155
Current liabilities	19,890	17,552
Working capital	351,922	330,603

Inter-City Western

Inter-City Western Bakeries Ltd., subsidiary of Lake of the Woods Milling Co., reports a net operating profit in the year ended Jan. 30, 1937, of $117,194. This contrasts with $84,336 in the year ended Feb. 1, 1936. After providing for a full year's interest and depreciation of $50,000, there was a net loss for the year of $61,337, as against $90,764 the year before.

The balance sheet shows no particular change, but in a letter to the company's bondholders, signed by the bondholders protective committee, it is stated that reorganization plans have been discussed by the committee but they feel that with generally improving business conditions a postponement of reorganization until later in the year would be to the best interests of bondholders.

Income and Surplus Account

	Year ended Jan. 30 1937 $	Feb 1 1936 $
Operating profits	117,194	84,336
Less: Expenses	8,916	7,120
Exec. salaries	5,400	5,350
Exps. bondholders' committee	4,000	2,000
Taxes	454	......
Bad debts	12,020	12,348
	86,404	57,518
Bond interest	94,199	94,653
Depreciation	50,000	50,000
Carrying charges	3,542	3,629
Net loss for year	61,337	90,764
Previous deficit	589,271	494,507
Add: Income tax	2,392	......
Costs of enquiry	......	4,000
Deficit forward	653,000	589,271

Working Capital

	As at Jan. 30 1937 $	Feb 1 1936 $
Current assets	232,032	228,515
Current liabilities*	36,384	49,387
Working capital	195,648	179,128

*Excluding bond interest accrued and in arrears.

Hydro-Electric Securities

Hydro-Electric Securities Corp. reports a net income in 1936 of $803,927, as against $554,176 in 1935. After providing for all charges, including dividends on the Class B stock, there was a surplus of $345,968, compared with $118,416 the year before.

The balance sheet shows a reduction in the outstanding Class B shares during the year from $8 millions to $6.7 millions. The book value of investments stands at $23.4 millions as against a market value of $19.8 millions. This represents a marked improvement over the 1935 returns, when the market value of investments was $12.8 millions.

During the past year the United States Electric Power Co., one of the company's two major American utility investments, was liquidated. Hydro-Electric Securities participated in the purchase by an American group of the United States Electric Power's total assets for $3.5 millions. At the end of the year this investment showed substantial appreciation.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Net income	803,927	554,176
Less Transfer fees	10,434	3,102
General expenses	42,029	29,303
Directors' fees	7,884	1,837
Net profit	743,580	519,934
Less: Dividends	397,612	401,518
Surplus	345,968	118,416
Previous surplus	2,015,499	1,897,083
Surplus forward	2,361,468	2,015,499

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Eastern Dairies

I hold some of the preferred and common shares of Eastern Dairies. Can you tell me if there has been any improvement in the company's operations and earnings?

The position of Eastern Dairies has not undergone any appreciable improvement. At present we understand that bond interest is being earned and a very small amount on the preferred. There is no immediate prospect of resumption of dividends. The company is confronted with numerous difficulties. The price paid to the farmer for milk is controlled by the Government; the price charged the consumer is controlled by the same authority; while the wages paid are also controlled. Thus the three most important factors in revenues and costs are outside control of the management and there is little or nothing that can be done about it. Under the circumstances the outlook is not a happy one.

B. C. Packers

I bought five preferred shares of B. C. Packers at 95 some years ago and under the recent reorganization received 12½ new common shares now quoted around 21. I am wondering whether I should sell now and take my loss, and would value your comments on the problem.

British Columbia Packers has improved its position materially, as is reflected in the rise of the shares, and also in earnings of 73 cents a share last year. You have recovered a good deal of your loss, and the reorganization of the company has made the picture seem more promising. The trouble with this type of investment is that the salmon fishing industry is rather erratic in its results. Therefore, one should not be dogmatic as to what to do with the shares. In view of the irregular earnings record, however, you might have a better chance of recovering your capital in some other type of business.

Fanny Farmer Candy Shops

Can you give me some recent information on Fanny Farmer Candy Shops?

Fanny Farmer Candy Shops showed earnings of $1.65 a share in 1936, before provision for undistributed profits tax of $60,000, and paid dividends of 87½ cents a share. This compares with earnings of $1.28 a share in 1935 when dividends of 50 cents a share were paid. On April 1, 1937, a quarterly dividend of 25 cents a share was paid, but it was announced that directors had not yet definitely decided to establish regularly quarterly payments of 25 cents a share. Earnings for the past three years indicate that the company could pay this rate. The company, which operates in the United States under management closely connected with that of Laura Secord Candy Shops in Canada, has expanded its sales from $3.4 millions in 1933 to $5.6 millions in 1936, the 1936 increase being $800,000.

Algoma Steel Corp.

Can you give an outline of the plans of Algoma Steel Corp. and its prospects for improved earnings?

Earnings of Algoma Steel Corp. will be somewhat lower for the year ending April 30, 1937, than for the previous fiscal year when $22.41 a share was earned on the preferred and $4.22 on the common. Dividends on the preferred stock become cumulative in 1940 and we are officially informed that the company does not intend to pay dividends in the near future. Present plans call for use of available earnings for plant expansion. Profits for the first half of the current year were considerably lower than for the corresponding period of 1935-36, due to lack of railway business. Improvement in the last half has not been sufficient to offset the decline of the first six months. Prospects for the company have improved. Its capital structure has been simplified. Production has gradually been diversified and present plans call for erection of a flat steel mill and other plant expansion.

Standard Paving & Materials

What are the prospects for improved earnings for Standard Paving & Materials Ltd.?

A small improvement may be reported by Standard Paving & Materials Ltd. for the year ended March 31, 1937, as compared with the preceding year when a deficit of $42,073 was shown. In each of the last four years the company has reported deficits. Outlook for 1937 is understood to be more encouraging with improved volume but prices still unsatisfactory. More active highway construction in Ontario is being undertaken by the Government this year and the company should obtain its share of this business. A considerable amount of business has been obtained in the Maritimes and more is believed pending. Arrears of dividends on the preferred stock amount to $33 a share and these would have to be settled before any payment could be made on the common. This seems to indicate that the prospects for the common are not particularly promising unless earnings grow substantially and the company is able to devise a plan for settlement of preferred arrears.

United Steel Corp.

Can you give me information which will permit a reasonable appraisal of the outlook for United Steel Corp. common?

Annual report of United Steel Corp. for 1936 shows earnings of 22 cents a share on the common stock. Ranking ahead of the common are the class A and class B shares on which earnings were $6 and $39.59 a share respectively. Since the accounts of Standard Steel Construction Co. were consolidated with those those of United Steel for the first time in 1936, an accurate comparison of earnings with those of 1935 is not possible. Arrears of dividends on preferred shares of Standard Steel Construction amounted to $51,397 at the end of 1936, but it is possible that these arrears will be paid off in 1937. This may eventually permit dividend payments on the United Steel common. Initial semi-annual dividend of 75 cents a share on the class A preferred shares of United Steel is being paid May 1, 1937. During the first three months of 1937, bookings of the company and its subsidiaries were more than double business secured in the same period of 1936. Higher prices also prevailed in the 1937 period and indications are that earnings will be greater this year.

Hinde and Dauch

What is the outlook for Hinde and Dauch Paper Co?

Hinde and Dauch Paper Co. has had a large volume of business this year and appears able to increase its earnings. However, the major part of such increase may have been realized already. Earnings in 1936 were equivalent to $1.32 a share on the common stock, compared with $1.18 in 1935 and 80 cents in 1934.

Phoenix Elevator Bonds

Is there any prospect of an immediate interest payment on the bonds of Phoenix Elevator Co.?

Phoenix Elevator Co., formerly Electric Elevator & Grain Co., owns two storage elevators at Fort William, Ont., with a combined capacity of two million bushels. Because of the recent small wheat crops and the export of most of the Canadian surplus, the storage space has not been in use and the company has had no earnings. For this reason there is no prospect of an immediate interest payment on the bonds. A bondholders' committee is looking after the interest of bondholders and, of course, a good wheat crop this year might help the company.

International Pete.

Does it appear that International Petroleum will be able to maintain its present dividend rate from earnings?

International Petroleum produces crude oil in Columbia and Peru and markets it throughout the world. Earnings last year were shown at $1.65 a share, compared with the current dividend rate, including extras, of $2.50 a share. However, the company makes substantial deductions from earnings each year for depreciation and depletion of property. Fixed assets have already been written down to about one third of the book value and further deductions are regarded to some extent as nominal. Consequently, there is some well-informed opinion that International Petroleum Co. will really be earning the full dividends paid in the near future. The company is benefitting materially from the recent rise in price of crude oil. In view of the large yield available on the shares, the conservative investor can afford to write-off part of the dividends as a return of capital.

Canadian Paperboard

What is the present position of Canadian Paperboard Co.?

At a meeting held on Feb. 19, 1937, shareholders of Canadian Paperboard Ltd. approved the sale of its properties to Robert Gair Co. of New York. The purchase price for the property is $612,500, of which $62,500 is payable in cash and the balance in 6% 40-year income notes of the Robert Gair Co. The actual cost of winding up the company's affairs cannot yet be determined but it is expected that a payment in excess of 30 cents on the dollar will be made on each preference share, with nothing being available for distribution to common shareholders. It will probably be about two months before the proceeds of the sale will be ready for distribution.

Bathurst

I am interested in pulp and paper securities and would like to have a review of the present position of Bathurst Power and Paper Co.

Bathurst Power & Paper Co. has under way an extensive programme of expansion, which is expected to result in a considerable enlargement of productive facilities. Last week the company brought into operation its newsprint mill which has been inoperative for several years. The market for its different products has shown an improvement and the management are hopeful in regard to returns for 1937 and 1938. The 1936 earnings amounted to 12 cents a share on the class A stock.

National Sewer Pipe

Can you give me an outline of the position of the class A shares of National Sewer Pipe Co. from the standpoint of its desirability as a speculative investment?

On the 27,762 class A shares of National Sewer Pipe Co. dividends are accumulating at the rate of $2.40 a year and arrears now amount to $7.80 a share. A profitable sales volume of the company's products must await new programmes of sewer construction or replacement by municipalities in Ontario, according to Ryland H. New, president. The company's net loss amounted to $1.72 a share on the class A stock in the year ended Oct. 31, 1936, compared with $1.76 a share in the preceding year and $2.85 a share in 1933. Earnings of $7.23 a share were reported on the class A in 1930. The net liquid assets amounted to over $32 a share in 1936. The company operates in an industry that has been heavily depressed and in which few signs of revival have yet been seen. A programme of plant modernization and diversification is now under way at a cost of $225,000 but it may be another year before much improvement is noted.

CHAMPION MORTGAGE
CORPORATION - LIMITED
EDMONTON VANCOUVER
CALGARY VICTORIA
SASKATOON REGINA

Consolidated Oka

What are the prospects for recovery of a profitable earnings position by Consolidated Oka Sand & Gravel Co.?

Consolidated Oka Sand & Gravel Co. defaulted interest payments on its 6½% first mortgage bonds on Nov. 1, 1932. In each of the past five years an operating deficit has been shown and net loss was $47,402 in 1936. The accumulated deficit is $345,446, and some form of reorganization appears unavoidable. Current liabilities were $194,987 greater than current assets at Dec. 31, 1936. In 1936 tonnage production increased and a slightly better price was obtained. A profit was shown on operations of the fleet of tugs, scows and rental equipment. The company hopes for increased business in 1937 in view of the home improvement plan of the Dominion Government and the large programme of work in Montreal harbor.

Standard Reliance Assets

Have you any recent information as to Standard Reliance Assets?

It is expected that a report covering operations of Standard Reliance Assets for the two years ended Dec. 31, 1936, will be published in a few weeks. The company's assets consist chiefly of Toronto real estate, and, although some progress has been made in liquidation, there is still no immediate prospect of a distribution to shareholders although this appears to be coming closer. The situation has improved in the past two years and at present the company has no vacancies in its dwelling properties. Some sales have been completed and the company is negotiating for the sale of a large block of Toronto property which will enable it to improve its position. Main efforts have been directed toward payment of taxes and obtaining whatever revenues possible from rentals.

Keefer Realty

Can you give me a summary of recent earnings for Keefer Realty Co.?

The annual report for 1936 of Keefer Realty Co., Montreal, showed a somewhat lower net income than in 1935. Assessment of the property has been reduced by $100,000 which resulted in a saving in taxes of $1,619. The loan obtained for the payment of taxes has been reduced to $23,000 and is repayable $2,000 monthly. Vacancies in the building continue to be higher than average, the building being 81% rented at the time of the annual report in March. The directors at that time had, for consideration, four tentative cash offers for the property, which, if accepted, would return not less than 50% of the principal to bondholders in cash. Net income for 1936 was $10,880, equal to approximately 25% of interest charges, as compared with $12,482 in 1935. After deduction of bond interest which was accrued but not paid, a net loss of $36,050 resulted in 1936 against a loss of $34,448 in 1935.

Dominion Stores

What is the present trend in earnings of Dominion Stores and what are the prospects for future growth?

In 1936 Dominion Stores was able to reduce its deficit to $65,581 from the previous year's loss of $610,342. Sales of $19.4 millions in 1936 represented an increase of 8.7%. A smaller increase of 2.26% has been shown for the first three months of 1937. The company has a substantial portion of its stores in Montreal where competition has been exceptionally severe and in other parts of Quebec there is special taxation against chain stores. It is possible that the chain store business has reached its peak and that the problem of Dominion Stores is one of recovering former earnings rather than increasing its chain. The company has a large working capital and during the past few years has modernized its stores, improved merchandising methods and closed a number of unprofitable units. It would be in a position to pay dividends promptly if earnings were recovered.

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Cawthra Apartments

Can you give me a summary of recent earnings of Cawthra Apartments? Will the 6% five-year notes be paid when due on June 1, 1937?

Cawthra Apartments Ltd. has been able to earn its first mortgage bond interest by a small margin in each year since the reorganization of 1932. In 1936 a balance of $2,687 was carried to surplus account after interest charges. This compared with a surplus of $2,012 in 1935. In the annual report for 1936 it is stated that the company expected to have all its taxes paid by March, 1937, and we are informed that this has been carried out. As for the 6%, five-year note certificates which are due on June 1, 1937, the company will not be able to pay these notes in cash. Directors are considering possible plans by which some adjustment can be arrived at between noteholders and the company and expect to have a plan to present before June 1. It will be necessary to spend a considerable amount of money on modernizing the apartments to maintain the present scale of rent. Interest payments have been maintained regularly on the new 6% first mortgage bond issue.

Crescent Road Apartments

What is the present position of the 7% bonds of Crescent Road Apartments?

In Aug., 1936, bondholders of Crescent Road Apartments, Toronto, accepted an offer for the company's assets from Ramsden Park Apartments Ltd. Holders of the old 7% first mortgage bonds of Crescent Road Apartments received the same principal amount of first mortgage income bonds, $5.20 in cash, and one share of new common for each $100 of bonds held. The exchange of securities was completed in Dec., 1936, through the National Trust Co., Toronto. We are informed that for the 12 months ended Dec. 31, 1936, a net operating profit, before depreciation and bond interest, of $4,800 was realized by the company.

C. I. L.

Will you please let me have a brief opinion on Canadian Industries Limited?

Canadian Industries Limited is the largest of the heavy chemical manufacturing companies in Canada. Its earning power is well diversified and income was maintained at a relatively high level throughout the depression. The outlook for the company continues good and as an investment security, it rates highly, as shown by the small yield on the shares.

The Woman Investor

Problems of the woman investor are also those of any other investor, but there are specialized cases where the woman investor requires somewhat different consideration The following case is typical. A widow, aged 51, is left without dependents with an estate of $15,000. She is considering the investment of $10,000 in Dominion of Canada or Ontario bonds and the balance to be used in purchase of an annuity.

A calculation shows that an income of approximately $51 a month would result from the plan suggested.

Purchasers of annuities must remember that they are using their capital to provide part of their living expenses. It may appear that a return of about 5% a year is being obtained in the case mentioned, but this is only achieved through the use each year of a part of the $5,000 used to purchase the annuity. Assuming that it is possible to maintain the balance of the estate at its present value, at the death of the annuitant the estate will amount to $10,000 instead of $15,000 as at present.

By using $10,000 of the estate to purchase an annuity, annual income could be raised to approximately $720 a year as compared with about $620 under the proposed division. True, her estate would only amount to $5,000 at her death but this does not appear to be as important as more comfortable living during her life.

While the maximum annual income could be obtained by use of the whole $15,000 as an annuity, no reserve would be provided for emergencies, such as sickness, for which regular income might not be sufficient. A reserve, therefore, invested in Dominion of Canada or Ontario bonds, although the return at present prices would probably not be greater than about 3½%, would be needed.

CANADIAN SECURITIES

Dominion and Provincial Government Bonds
Municipal Bonds
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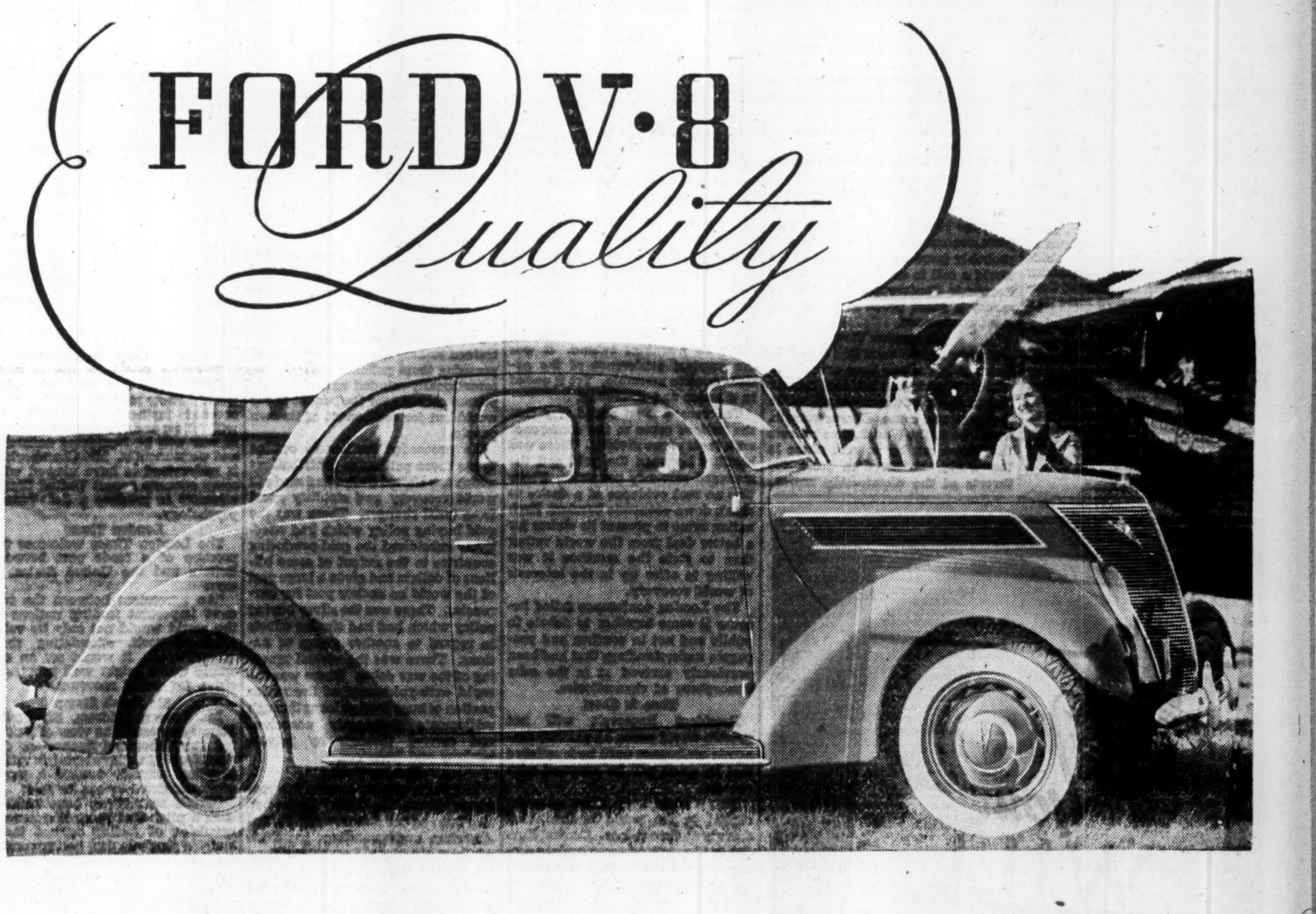

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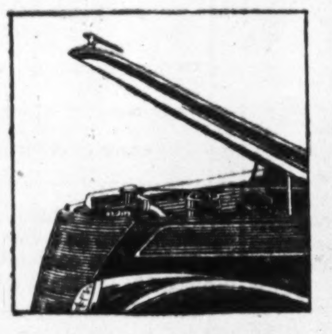
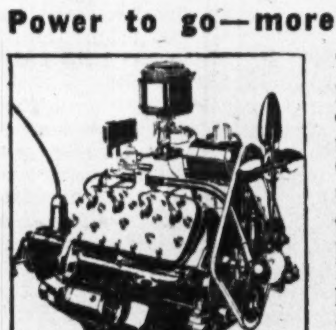


The Ford V-8 for 1937 is a completely modern car—from bumper to bumper! The modern lid-type hood lifts at the front and is hinged at the back. Swift streamlines flow back from the distinctive front end, with headlamps recessed in the fender aprons. There is new luxury in interiors and appointments — newly designed. The starter button is now on instrument panel; the parking brake lever is below it — both are within easy reach.

Increased comfort—more quiet—extra luggage room

Comfort of the Ford Centre-Poise Ride has been improved. Long-tapering spring leaves with new interleaf pressure lubrication make spring action smooth and silent. Compact V-8 engine requires less space under the hood, permitting more room in the body. New methods of engine and body mounting, improvements in rear axle and drive shaft — all contribute to a new standard of quiet. Larger luggage compartment is concealed within body lines.

Power to go—more economy to go farther



The new Ford V-8 with its smooth power and famous Ford pick-up gives even more brilliant performance and unusually low gasoline consumption. Owners report it takes you farther between gas pumps than any other Ford car. Refinements of carburetion, an improved exhaust system, new self-lubricating water pumps in cylinder banks, new fan location and improved ignition unit contribute to the Ford V-8 engine's increased efficiency.

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World Peace Project Hanging in the Balance

Canada Likely To Proceed With Caution

Ready to Co-operate But Fears Change of Front in U. S.

SUPPORT BY KING

From Our Own Correspondent

OTTAWA.—Canada's delegation to the Imperial Conference that will follow the Coronation is already on the high seas.

It includes the Prime Minister, who may be counted upon to give his fullest support to any feasible measures of promoting international trade.

It also includes the Minister of Finance, Mr. Dunning, upon whose shoulders rests the practical burden of insuring that Canadian producers shall be not drawn into the position of giving up certain markets in exchange for intangible and perhaps illusory advantages. Mr. Dunning will undoubtedly support any move likely to speed world recovery and insure world peace but he will also weigh the immediate economic effect of any proposed measures.

Canada's Position

For example, if an Anglo-American trade pact cannot be negotiated without concessions by Canada in the British trade pact, under which it occupies a favored position in the United Kingdom market for food products, Mr. Dunning will no doubt take the view that any such concessions by Canada should be matched by lower American tariffs against this country. If Canada is to sell less in Britain, Canada will want to sell more in the United States.

Some advices in Ottawa believe that the most tangible concession the United States could make to Canada to ensure Canadian approval of a United States-United Kingdom trade pact would be an increase in the Canadian cattle quota under the reciprocity pact.

Doubt Tariff Permanency

Grave doubts are held in high places in Ottawa as to the permanency of any tariff concessions granted by the United States. Ottawa remains to be convinced that the policies now preached by Mr. Roosevelt and Mr. Hull will remain the policies of the United States over an extended period. Mr. Roosevelt and Mr. Hull, it is felt, may be more advanced in their realization of the responsibilities of the United States as a creditor nation than is even the present Congress and much more than some possible future Congress.

Moreover, there remains the possibility that at some date, not long to be deferred, a Republican President and Republican Congress may be determining United States fiscal policies. By that time, the United States-Canada trade agreement may be in jeopardy and all assurances of lower tariffs profferred today by the present administration may prove to be illusory, except for the period that lies immediately ahead.

Empire Parley Will Decide Fate Of Roosevelt Trade Proposals

(Continued from page 1)

the new obligations imposed upon the United States as a creditor nation.

Third, that the United States is so convinced of the need for world peace and the possibilities of averting war that the administration is prepared to make great economic and financial sacrifices to buy peace for the world.

Empire Preference Barrier

The United States has made it unofficially but unequivocally clear to the British nations that Washington considers certain aspects of Imperial preference to be a definite barrier to the enlargement of world trade. As a form of bi-lateral trade treaty, Imperial preferential tariffs are praised. But Washington has suggested that the fixed margins of preference, inherent in many intra-Empire trade agreements, plus the policy of raising tariffs against the outside world in order to permit an Imperial preference to be granted, are an obstacle to the negotiation of larger trade agreements that will bring in other countries and help to level the tariff barriers that have bound the nations of the world in ever tightening cords of trade depression.

President Roosevelt and Mr. Hull have been carrying on a quiet but determined effort to pave the way for economic disarmament. The recent visits to Washington of Rt. Hon. Walter Runciman, Rt. Hon. W. L. M. King, of Lord Tweedsmuir, of Sir George Paish, were not as casual and private as they were described. Actually each one advanced a step further the programme for world peace through economic measures.

World Conference Possible

The sugar conference in London was another step in this plan to remove the threat of war by filling the stomachs of hungry peoples in the underprivileged nations, and by granting to the discontented and the expansionist nations the access to capital, raw materials, food supplies and markets that they will otherwise insist upon obtaining by force of arms.

At the right time and in the happiest atmosphere, the President will probably issue to the nations of the world a call to another great World Economic Conference. It will be in reality a great peace and disarmament conference.

Washington View

Washington believes that the problems left by the war have never been settled. Washington believes further that to speak of disarmament, while the economic causes of war remain, would be futile. Washington believes that there can be no real peace in the world, no freedom from the threats of the dictatorship nations

PEACE ARBITER

Prime Minister W. L. Mackenzie King, go-between for Britain and the United States in new trade negotiations.

until the foundation has been laid for world prosperity.

The official view is this, as I obtained it from one of the highest authorities:

"The world is today in a condition of poverty that is unprecedented. Yet the advance of modern science, the adaptation of advanced technological methods of production and our newer knowledge of how to finance trade have made it possible for us to have—if the nations will only recognize the fact and act accordingly—the greatest period of economic advance since the beginning of time. We can give to the people of every nation higher standards of living than they have ever enjoyed.

"The simple question that faces the statesmen of the world is this: are they prepared to turn from policies of folly and selfishness to those of genuine co-operation in order that all may have the recovery and the peace that is possible?"

Lesson of 1933 Parley

The call for a world conference will not go forth at once. The lesson of previous world conferences is still very much in the memories of American and British political leaders. Particularly, did the abject failure of the London conference of 1933 leave its warnings behind. It was the greatest conference of the nations ever to assemble. Yet it ended in disaster and ill-feeling.

The reason it so ended was that the nations came to the conference with their views divided. There was hostility between the gold and the managed-currency countries. There was no real evidence of a desire to break down economic barriers. Each nation came to present its claims for a better deal from the world rather than to state the sacrifice it was willing to offer up in the interests of world recovery.

The London conference failed because it came together to debate in public and not to confirm and propagate understandings that had been previously arrived at in the calm atmosphere of chancelleries.

Time is Short

President Roosevelt will not gamble world peace on another economic conference until he is satisfied that its work will be crowned with success.

Yet, Washington realizes, as every capital in the world realizes, that there is no time to lose. Central Europe is 18 months from complete economic breakdown. That fact haunts the present negotiations. It is a race between economic peace and another world war. Hence, the feverish pace of the negotiations. Hence, Washington's hope that the British nations will give the world the lead it wants.

Task of London Conclave

What is it that the administration expects from the Empire conclave?

The hope and expectation is that the conference will make it unequivocally clear the British nations hold to the objectives of restoration of world trade; the levelling of the obstacles which stand in the way of increased trade; equality of opportunity for all peoples in access to the raw material supplies of the world and the re-establishment of the world's monetary system, so that capital may flow more freely and increased trade be financed.

Specifically, it is hoped that the British nations will make it clear that the policy of Imperial preference is not a policy that excludes trade expansion between British countries and non-British countries; and make it clear, as Canada's treaty with the United States has attempted to make it clear, that the Empire market is not the exclusive preserve of Empire traders.

Dominions Must Share

The United States is anxious to arrange a trade agreement with Great Britain. There are many obstacles. One is the economic insularity of the United States people, expressed most vocally in Congress. Another is the fact that the British have reserved their home market so largely for the producers of the overseas Dominions.

If Britain and the United States are to achieve a trade agreement then the British Dominions must share their valuable British market with the United States. In that market Canada and the United States are particularly competitive. Having achieved so happy a position in the vast and profitable United Kingdom market, after many years of unselfish devotion to the concept of Imperial preferences, are the Dominions now willing to admit that the United States—which up to now has been the world's chief offender in the matter of prohibitive tariffs—ought to be allowed to edge into the British trade picture to a larger degree?

That is only one of many phases of the present situation; only one of the numerous difficulties that have to be faced as practical application is given to the ideal of a world trade drive to banish the threat of a second great war.

U. S. Must Convince World

Men at the top in Washington admit that the chief difficulty will be to convince the world that the United States has reformed and will "stay put" as a low tariff country.

One of these men at the top of affairs—a world figure—said to me:

"The supreme post-war crime against the well-being of the common people of the world was the Smoot-Hawley tariff. It represented the culmination of several years of construction of the most absurd and insurmountable tariff wall the world has ever known. That wall was being built in crass ignorance and egregious folly at the very time when the United States, as a contribution to world peace and to its own continuing prosperity, should have been tearing down its tariff walls brick by brick.

"In these years of depression the American people have been paying the price of their economic ignorance, their failure to adjust themselves to the conditions created by the war and to the new responsibilities imposed upon them by the shift in the economic balance of the world as a result of the war."

Economic Isolation Abandoned

This authority then went on to say that so far as the government and informed leaders of opinion in the United States were concerned a great and far reaching change had taken place. The United States was, almost without the knowledge of the great mass of its own people, abandoning its policies of economic isolation. The world, as a whole, did not fully appreciate the extent of the change in the United States and did not appreciate the further advances that would be made in the coming years in making the United States a trained trading and investing nation, pursuing those policies which an internationally-minded nation had to pursue not only for the benefit of the world but for the benefit of its own people.

He proceeded further to outline to me those particular contributions which the United States had made to world recovery and stability apart from tariff changes. There was the gold buying policy which had effectively subsidized the gold-producing countries to the extent of some billions of dollars and given a large part of the world an anchor post for currencies. There was the silver buying policy which had had similar effects in regard to another group of nations. There was the virtual ignoring of the war debts. There was the rapid extinguishment of the major portion of huge foreign loans through settlements generously conceived and carried through by private bankers and investors.

Foreign Policy

In foreign affairs, outside the economic sphere, the United States had also been on the side of peace. Latin-American understandings constituted a sort of regional Locarno pact and the United States was prepared to give its moral backing to such regional pacts anywhere in the world. The policy of non-intervention in the affairs of other countries had given the smaller nations real assurance that the United States at least would not interfere with the working out of their sovereign destinies.

U. S. Prepared to Lead

Whatever the strategy required in the world to ensure peace, this authority went on to say, the attack must take economic forms. And in this area, he said, the United States was prepared to lead the way. If it could be assured of the support and co-operation of the British nations then a host of smaller nations—France, the Scandinavian countries, the South American republics — would follow. In time the force of example would bring the countries of Central Europe into the drive for peace. Even the dictatorship countries would lose their interest in playing at war games when recovery filled hungry stomachs and clarified that murky atmosphere of want and disillusionment in which liberty perished and tyranny grew.

This is Washington's dream: Mr. Roosevelt's dream and Mr. Hull's dream of a world that can buy peace and a higher standard of living for every man and woman in the world at the cost merely of temporary sacrifices by different countries.

This is the picture that was painted to Mr. Runciman and to Mr. King. This is the picture that Norman H. Davis, United States "ambassador-at-large" presented to the miniature world economic conference that met in London recently as a sugar conference. This is the story that will be told to Paul van Zeeland, premier of Belgium when shortly he lands on the shores of the United States, ostensibly to receive a degree from his alma mater, an American university, but actually to confer with the United States President on the economic drive for peace.

There may be those in Canada who will regard the whole effort of the administration as a concerted effort to destroy the economic solidarity achieved in the Empire through the Ottawa agreements and the subsequent revisions of those agreements. The bona fides of the United States may be questioned as it has been questioned before by those who have felt the cruel impact of the Fordney-McCumber tariff and the Smoot-Hawley tariff.

But the visitor to Washington who talks to the men who are making American policy in the international sphere finds himself completely convinced of the unselfishness of the President and his secretary of state in this matter; of the earnestness and idealism of their purpose.

He finds it more difficult to be convinced that even this Congress will back the programme fully and willingly; or that the American people will fully understand its implications and possibilities. And he is bound, too, to have some reservations as to the permanence of any American assurances of a lower tariff policy. Another election will roll around within four years. That election may restore to power the Republican party, traditionally the party of economic isolation for this nation.

Sharp Division On Peace Plan Seen in Britain

Chamberlain and Baldwin Likely to Move Cautiously

From Our Own Correspondent

LONDON.—The United States bid for a general levelling of barriers to world trade, under the leadership of the United States and the British nations, meets a mixed reception in London. There is sharp conflict of viewpoint between different groups.

However, agreement exists on the basic premise that world recovery, and world recovery alone, will keep the world out of war.

Mr. Baldwin said, shortly before the Easter holidays, that the time has come when Britain is no longer disposed to spend time in trying to take the initiative in restoring freedom to world trade. He declared that the initiative was upon those countries which had been mainly responsible for restricting trade between the nations. He rejected the idea of attempting to create a low tariff group of nations, and added:

"In the first place, the creation of a low tariff group would involve discriminaton against non-participating countries and might lead to retaliation and tariff wars. It would involve the general disappearance of the most-favored-nation treatment, to which the Government attaches special importance . . . In the second place experience goes to show that practical results are not likely to be achieved, except by bi-lateral negotiations."

It will be noted that Mr. Baldwin's statement does not flaunt the Roosevelt-Hull drive since it leaves Britain in a position to accept the overtures of one of the high tariff nations, the United States, while in his emphasis upon bi-lateral negotiations, he also indicates that a U.K.-U.S. trade treaty would not be inacceptable.

Neville Chamberlain

Mr. Chamberlain will succeed Mr. Baldwin as prime minister after the Coronation and for that reason his views are of particular interest. He said a few days ago that the Government did not contemplate at present entering any "economic agreement of wider character" with the United States and France.

Mr. Chamberlain comes from the family that has been in the forefront of the development of the policy of protection for Britain and preferential tariffs within the Empire. He would not willingly jeopardize the planned economic development of the Empire without absolute assurance that a shift of emphasis in world policies could be achieved on a permanent basis.

Mr. Chamberlain is believed to hold the view that recovery in the world is now assured and that as it proceeds further, peace and plenty will follow and the economic causes of war will be liquidated naturally and permanently. Mr. Chamberlain is understood to have viewed with some concern recent United States attempts to produce a deflationary psychology.

London Times

The London Times welcomes the promise of a trade pact between Britain and the United States. It says:

"An agreement between the two most important trading nations in the world would not only be valuable in itself, stimulating their mutual trade. It would set an example which might well prove decisive for world recovery."

Sir Josiah Stamp

In a recent address, Sir Josiah Stamp expressed the view of British industry, labor and finance—as distinct from Mr. Chamberlain's rather skeptical attitude toward a world economic drive—when he said:

"Trade restrictions have reached such a pitch that there is a general revulsion of feeling against them, and the psychological background is that of a genuine desire to return to conditions of greater freedom and, what is even more important, to take some risk for the principle."

London Economist

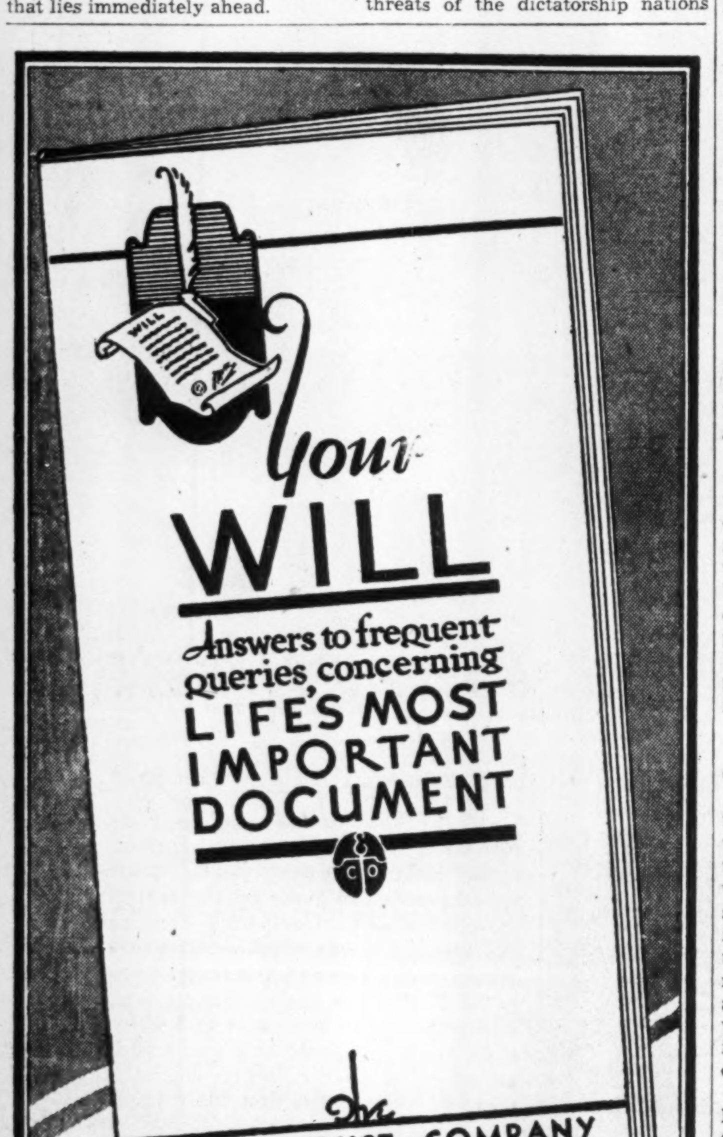
The London Economist, traditionally a Liberal, free-trade paper, in a striking leader headed "Now or Never," has come out strongly for a realization by the Government that its present policies are having a "numbing" effect.

The Economist asserts:

"It has long been a commonplace that political appeasement will not be possible without a far-reaching revival in international commerce; but Germany's colonial demands and her four-year plan of self-sufficiency have given a new and urgent point to the commonplace. Moreover, the rapid progress of economic recovery has removed much of the justification for higher protection. With demand in nearly every country rapidly overtaking supply, even the vested interests which always grow up behind tariff walls are relaxing their grip. At no time since 1927 has the lowering of trade barriers been at once politically more desirable and economically more feasble."

Discussing the proposed Anglo-American trade pact the Economist says that such an agreement cannot be concluded unless it includes some concession by Great Britain on American agricultural produce. "But in the face of all the advantages, political and economic, that would flow from such an agreement, the British Government are apparently still tied to the slogan of 'the home farmer first, the Dominions second, and the foreigner (including the American) nowhere.' Is there no other way of protecting the British farmer from ruin than by holding up the whole movement of world commerce, snubbing the friendliness of the American Government and condemning our own export trades to lasting stagnation? It is certain that the Dominions would object to any concession being made to America? The Dominion most closely affected would be Canada, and it should not be beyond the wit of man, or outside the reach of American goodwill, to find some triangular method of bringing advantage to all three parties."

Reiterating its view that the foreign dislike for the Ottawa agreements in very deep, the Economist says that the time has come for an act of high policy, for a deliberate decision by the British Cabinet to do all it can to further the promising movement for economic disarmament.



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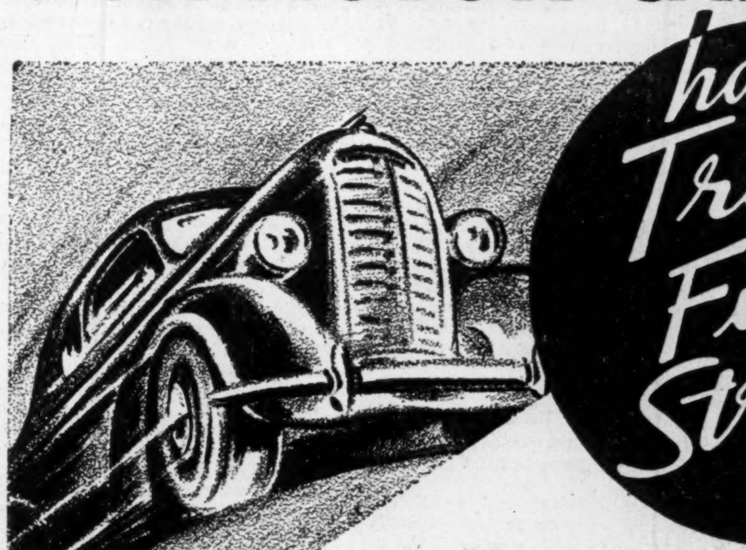

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"How to Win Friends and Influence People"

Dale Carnegie's Formula for Success Is Year's Best Seller Among Non-Fiction Books

Six Ways to Make People Like You

Rule 1: Become genuinely interested in other people.

Rule 2: Smile.

Rule 3: Remember that a man's name is to him the sweetest and most important sound in the English language.

Rule 4: Be a good listener. Encourage others to talk about themselves.

Rule 5: Talk in terms of the other man's interest.

Rule 6: Make the other person feel important—and do it sincerely.

THESE rules sound very simple, don't they? So simple that most people would dismiss the formula as another of those facile recipes for success that are used to fill up corners in "efficiency" magazines.

They are much more than that. They are a sample of the practical philosophy for daily living, expressed in the most surprisingly successful non-fiction book of 1937, a book that is sweeping across the Continent as an evangel of achievement in business and happiness in social life.

Since the first of January, sales of Dale Carnegie's "How to Win Friends and Influence People" have averaged 500 copies a week in Canada. This is an amazing sale for this small market.

Over 300,000 copies of the book have already been sold in the United States and sales are continuing at over 20,000 copies weekly.

Most of the sale is to individuals anxious to better their position in the world or broaden their circle of friends. But large corporations have bought the book by the hundreds of copies; have put it in the hands of their executives and salesmen.

According to the resourceful author of this book, investigation and research made a few years ago under the auspices of the Carnegie Foundation uncovered a most significant fact: that even in such technical lines as engineering, about 15 per cent of one's financial success is due to one's technical knowledge and about 85 per cent is due to skill in human engineering—to personality and the ability to lead people.

Mr. Carnegie looked for a practical, working handbook on human relations. There was none to be had. He decided to write one. "How to Win Friends . . ." is the result.

To obtain proved secrets of success, he personally interviewed scores of successful people, some of them world-famous—Marconi, Franklin D. Roosevelt, Owen D. Young, Clark Gable, Mary Pickford, Martin Johnson—and tried to discover the methods they used in human relations.

He tells of fundamental techniques in handling people; of how to make people like you; of how to win people to your way of thinking; of how to change people's views without giving resentment. There are pointers on letter-writing and family life.

Do Not Criticize

IF YOU want to handle other people, do not scold, do not criticize, says Mr. Carnegie:

"Ninety-nine times out of a hundred, no man ever criticizes himself for anything, no matter how wrong he may be.

"Criticism is futile because it puts a man on the defensive, and usually makes him strive to justify himself. Criticism is dangerous, because it wounds a man's precious pride, hurts his sense of importance, and arouses his resentment."

Lincoln learned that lesson early. One early incident taught him an invaluable lesson in the art of dealing with people. "Never again did he write an insulting letter. Never again did he ridicule anyone. And from that time on, he almost never criticized anybody for anything."

The most nearly bitter letter of reprimand Lincoln ever wrote—to General Meade—was found in his papers after his death. He never mailed it.

Give Honest Appreciation

THE big secret in handling people is to "give honest, sincere appreciation." Try to figure out the other man's good points and tell him about them.

Speak and write in terms of the other man's wants. What you want is not important.

"Andrew Carnegie learned early in life that the only way to influence people is to talk in terms of what the other person wants. He attended school only four years, yet he learned how to handle people.

"To illustrate: His sister-in-law was worried sick over her two boys. They were at Yale, and they were so busy with their own affairs that they neglected to write home and paid no attention whatever to their mother's frantic letters.

"Then Carnegie offered to wager a hundred dollars that he could get an answer by return mail, without even asking for it. Someone called his bet; so he wrote his nephews a chatty letter, mentioning casually in a postscript that he was sending each one a five-dollar bill.

"He neglected, however, to enclose the money.

"That did the trick.

"Back came replies by return mail thanking 'Dear Uncle Andrew' for his kind note and—you can finish the sentence yourself.

"Tomorrow you will want to persuade somebody to do something. Before you speak, pause and ask: How can I make him want to do it?"

Making People Like You

DALE CARNEGIE'S rules for making people like you are printed at the beginning of this article He italicizes the first rule:

"You can make more friends in two months by becoming interested in other people than you can in two years by trying to get other people interested in you."

Rule 3, "remember a man's name," is the secret of many great men's success.

"I once interviewed Jim Farley and asked him the secret of his success. He said, 'Hard work,' and I said, 'Don't be funny.'

"He then asked me what I thought was the reason for his success. I replied: 'I understand you can call ten thousand people by their first names.'

"'No. You are wrong,' he said. 'I can call fifty thousand people by their first names.'

DALE CARNEGIE

Mr. Carnegie is president of the Dale Carnegie Institute of Effective Speaking and Human Relations in New York City.

Ability to study people, make friends and influence the thinking processes of others is a great social asset. To businessmen it opens the gateway to greater accomplishment by showing how to avoid friction and create the most constructive relations between buyer and seller.

Mr. Carnegie's new book, "How to Win Friends and Influence People," grew out of the author's experience in conducting a laboratory of human relations—the only laboratory of its kind in the world. It encompasses the fundamentals of business relations with one's customers. It tells dramatically the reasons for some businessmen's success and it lets these businessmen tell how they have applied the fundamental principles of the author's training course to good advantage.

The accompanying article tells about Mr. Carnegie's book and gives a taste of the simple but workable philosophy he presents in it.

"Make no mistake about it. That ability helped Mr. Farley put Franklin D. Roosevelt in the White House."

Andrew Carnegie sold rails to the Pennsylvania Railroad by naming a big steel mill after its president. He settled his quarrel with George Pullman by using the latter's name on their famous merger of sleeping car companies.

"Most people don't remember names for the simple reason that they don't take the time and energy necessary to concentrate and repeat and fix names indelibly in their minds. They make excuses for themselves; they are too busy.

"But they are probably no busier than Franklin D. Roosevelt, and he takes time to remember and recall even the names of mechanics with whom he comes in contact."

Art of Conversation

TO GET a reputation as a good conversationalist be a good listener. Charles W. Eliot is quoted: "There is no mystery about

Ten Thousand Canadians Have Sought Solution of Personal Problems Around Carnegie Plan

successful business intercourse . . . Exclusive attention to the person who is speaking to you is very important. Nothing else is so flattering as that."

"Isaac F. Marcosson, who is probably the world's champion interviewer of celebrities, declared that many people fail to make a favorable impression because they don't listen attentively. 'They have been so much concerned with what they are going to say next that they do not keep their ears open. . . Big men have told me that they prefer good listeners to good talkers, but the ability to listen seems rarer than almost any other good trait.'"

Always talk in terms of the other man's interests and likewise make him feel important.

"The unvarnished truth is that almost every man you meet feels himself superior to you in some way; and a sure way to his heart is to let him realize in some subtle way that you recognize his importance in his little world, and recognize it sincerely."

Secrets of Sales Success

DALE CARNEGIE'S rules for the salesman, the politician and everyone else, faced with the problem of winning other people to his way of thinking, are equally simple.

"The only way to get the best of an argument is to avoid it.

"Show respect for the other man's opinions. Never tell a man he is wrong.

"If you are wrong, admit it quickly and emphatically.

"Begin in a friendly way.

"Get the other person saying 'yes, yes' immediately.

"Let the other man do a great deal of the talking.

"Let the other man feel that the idea is his.

"Try honestly to see things from the other person's point of view.

"Be sympathetic with the other person's ideas and desires.

"Appeal to the nobler motives.

"Dramatize your ideas.

"Throw down a challenge."

Real salesmanship isn't argument. It isn't anything even remotely resembling argument. The human mind isn't changed that way, says Mr. Carnegie.

Each of his rules is illustrated by a host of incidents. Here are two that show how big men got what they wanted.

"When the late Lord Northcliffe found a newspaper using a picture of himself which he didn't want published, he wrote the editor a letter. But did he say, 'Please do not publish that picture of me any more; I don't like it'? No, he appealed to a nobler motive. He appealed to the respect and love that all of us have for motherhood. He wrote, 'Please do not publish that picture of me any more. My mother doesn't like it.'

"When John D. Rockefeller, Jr., wished to stop newspaper photographers from snapping pictures of his children, he, too, appealed to the nobler motives. He didn't say: 'I don't want their pictures published.' No, he appealed to the desire, deep in all of us, to refrain from harming children. He said: 'You know how it is, boys. You've got children yourselves, some of you. And you know it's not good for youngsters to get too much publicity.'"

Changing People's Ideas

CHANGING people's ideas without giving offense or arousing resentment implies the use of similar principles.

If you have occasion to criticize, begin with praise and honest appreciation. Call attention to other people's mistakes indirectly. This was John Wanamaker's technique.

"Wanamaker used to make a tour of his great store in Philadelphia every day. Once he saw a customer waiting at a counter. No one was paying the slightest attention to her. The sales people? Oh, they were in a huddle at the far end of the counter laughing and talking among themselves. Wanamaker didn't say a word. Quietly slipping behind the counter, he waited on the woman himself and then handed the purchase to the sales people to be wrapped as he went on his way."

Talk about your own mistakes before criticizing the other person. Ask questions that suggest the right thing to do instead of giving direct orders. Let the other man save his face.

"Years ago the General Electric Co. was faced with the delicate task of removing Charles Steinmetz from the head of a department. Steinmetz, a genius of the first magnitude when it came to electricity, was a wash-out as the head of the accounting department. Yet the company didn't dare offend the man. He was indispensable — and highly sensitive. So they gave him a new title. They made him consulting engineer of the General Electric Co. — a new title for work he was already doing — and let someone else head up the department.

"Steinmetz was happy.

"So were the officers of the G. E."

Praise the slightest improvement and praise every improvement . . . Be "hearty in your approbation and lavish in your praise. Give a man a fine reputation to live up to. . ." Use encouragement. Make the fault you want to correct seem easy to correct; make the thing you want the other person to do seem easy to do . . . Finally, in changing people to your point of view, make the other person happy about doing the thing you suggest.

Happy Home Life

MR. Carnegie applies closely similar principles to writing letters, to making home life happier.

His book can be read in two hours. Most men and women who read it once will read it again and again.

Mr. Carnegie has been lecturing and writing, and giving courses in personal and business relationships for many years. His new book "How to Win Friends and Influence People," has made him known across the continent. He is in constant demand as a speaker. The London, Ontario, Advertising Club tried to get him as a speaker. He had only one free day in 1937 to give them. They took it.

"How to Win Friends" is published in a special Canadian edition by The Musson Book Co., Toronto. They hold the Canadian copyright. Ralph Musson, resourceful vice-president of that company, has also signed up Canadian rights to a previous Carnegie book on public speaking.

Canada's Coronation Plums

Turnover on Special Merchandise Will Add Millions To Dominion Business Coffers—Foodstuffs, Jewellery, Textiles, China Bear Mark of Event

THERE are few store windows in Canada this week which do not feature the Coronation. Not only is there a lavish display of Coronation colors in paint, bunting, ribbon and other decorations, but literally hundreds of products directly tied up with this Empire event are offered for sale.

How many million dollars will be paid for such goods within the next fortnight it would be impossible to compute. But Coronation business in Canada is expected to equal at least the $20 millions which 20,000 Canadians it is estimated will spend in actually attending the ceremony in London.

This Coronation business is divided into two distinct parts.

There is that which is purely of a transient nature. It will disappear with the same speed as the sight-seeing stands along the royal route from Buckingham Palace the day after the King is crowned. In this category will come the square miles of bunting used to decorate city halls, private houses and business establishments. It will also include souvenir trinkets in the form of miniature busts, flags, spoons, medals, playing cards and replicas.

$50,000 on Fireworks

INCREASED purchases of fireworks for pyrotechnic celebration of the Coronation by municipalities, community and social organizations, and the general public, have resulted in expansion of between 20 and 25% in the business of T. W. Hand Fireworks, Ltd., the principal firm in the Canadian industry.

It is estimated that Canada's 1,500 municipalities are spending approximately $500,000 on Coronation observance, including decorations, band concerts and parades, rallies in parks, and other items. Officials of the Hand company preferred not to make an estimate of how much of this outlay will go for fireworks, but an estimate by The Financial Post indicates that nearly $50,000 will go for fireworks displays as part of municipal Coronation celebrations.

The City of Toronto, for instance, is spending nearly $15,000 on its observance, of which approximately $1,500-$2,000 will go for fireworks.

Special Foodstuffs

Then there is the matter of special foods. One Canadian bread firm is featuring a special Coronation loaf. Caterers are making Coronation cakes and pastries. There are ice cream bricks with a red crown in water ice running down through the centre. There are scores of special candies in brightly lithographed boxes, some of imported confectionery and some domestic. There are biscuits galore.

In the textile field manufacturers have not been slow in using the big event of the year as a special advertising feature. Handkerchiefs and other linen, dress goods, lingerie are all included.

Of course many of these products really represent standard goods with the addition

(Continued in last column)

Sales of Coronation merchandise, while expected to reach a sudden peak this week and next, will also continue in many lines throughout the year. Thousands of products have been linked with the Empire event. Above The Financial Post gives an indication of the wide range, which runs from 5-cent aluminum medals to $300 diamond rings.

At the left is a special Coronation loaf by Canada Bread; a Coronation coiffure by the Elizabeth Arden Salon in The Robt. Simpson Toronto store; a Massey-Harris "Coronation model" seed drill; and a china beaker by Minton for Henry Birks & Sons and affiliated firms.

On the right is an elaborate Loving Cup of Aynsley pottery, a large service plate of Minton pottery in a limited and numbered issue of 1,000, and a set of souvenir spoons in sterling silver

of special crests or Coronation colors. They would be bought in considerable quantities whether there was any king to be crowned or not. But the color schemes or crests are new and the addition of such often means the sale of that particular line at the expense of another manufacturer who failed to realize that even in the prosaic field of unbleached linen the June bride would favor something definitely connected with the world stirring ritual in London.

Jewellery and China

But in decidedly permanent goods there is also considerable extra business that traces solely to the Coronation. In jewellery, china and plate, for instance, there is a host of material.

Rings and brooches have been set with the red, white and blue colors in stones. In other cases the mounting of the ring has been arranged in the form of a crown which clearly shows when the ornament is held up side ways to the light. These are not trinkets. They vary in value up to several hundreds of dollars and, of course, will be in existence long after the newest building in Canada has been razed.

In plate there are engravings of the King and Queen and the Royal Coat of Arms. There are souvenir spoons in sterling and some in gold. These are singly or in sets of the last eight Kings of Britain.

Famous English potteries have turned out the highest type of china in special Coronation designs. Here the customer is offered cake plates, loving cups, tankards and cups and saucers. Some of the more expensive pieces are in limited editions. Only one or two thousand pieces were made and the designs destroyed. These are accompanied with a certificate guaranteeing the individual number, certifying the limit and the designer's name. China of this kind will increase in value with age.

Motor Strike Pact Decides Chief Issue In Company's Favor

But Strikers and Union Also Seem Satisfied

Settlement of the strike of General Motors workers at Oshawa appears to decide the chief issue of the strike officially in favor of the company, but satisfies for all practical purposes the strikers and the C. I. O. auto union in which they are enrolled.

Crux of the dispute was the company's refusal to negotiate or make an agreement with the C. I. O. or its agents, with the United Automobile Workers as either a local or international organization, or with any "outside" agent not employed by the company. In this they were supported by Premier Hepburn of Ontario, who denounced the activities of "paid foreign agitators" to bring Canadian workers under the sway of "the labor dictatorship of Lewis and Communism."

Text of the agreement which ended the strike, and is the basis for settlement with General Motors employees in Windsor and St. Catharines, leaves the company unshaken from its refusal to make a deal with the C. I. O. or the union. At the same time, the employees and the union accept the agreement as the best that could be obtained under the circumstances, because it was made with a committee selected by and representing the union.

Status of Organizer

The unionists emphasize the point that one of the signatories was C. H. Millard, president of the union's Oshawa local and organizer for the auto union since just before the strike. To this, the company points out that he did not sign in behalf of the C. I. O. or the union, but as a member of a committee representing union employees. He appears in the records of the company as an employee on leave of absence.

Also on the text of the agreement appears the initialled "O.K." of J. L. Cohen, Toronto lawyer retained by international headquarters of the union in Detroit. However, he was not a signatory to the pact, and is reported to have given an undertaking that neither he nor Millard Millard took part in the final negotiations as instructed representatives of the C. I. O. itself.

Prior to the concluding parleys, Homer Martin and Hugh Thompson, agents of the C. I. O. and United Automobile Workers, retreated to the United States to eliminate the "remote control" complained of by Premier Hepburn. They later claimed, however, that they exercised influence on the final settlement and that the basis of the settlement was arrived at in Detroit between Martin and officers of General Motors in the United States.

U. S. Pact Different

One marked difference between the Oshawa agreement and those made between the union and auto companies in the United States is that the signature of no official of either the C. I. O. or the international union appears on the Canadian document. The American agreements not only bore the signatures of officers of the U. A. W. but also of John L. Lewis, head of the C. I. O., below a sub-heading indicating that one party to the deal was the union.

The company's position is officially upheld by the agreement itself. The opening clause declares that the agreement is between General Motors of Canada and "the employees of the company at Oshawa." The concluding paragraph declares that the agreement, covering all employees in the Oshawa factory, is signed "by the union employees hereunder, who signed on behalf of themselves and their successors in office representing the employees of the company who are members of the local union."

Other references to the union also keep the company clear of an actual deal with the union itself. It is specifically declared, for instance, not that the agreement is in conformity with the pact between the union and the United States corporation, but that it is to run "concurrent with" that agreement. The Detroit agreement terminates June 11, but its effect carries into August.

Intimidation Forbidden

The Canadian settlement binds both the company and the union employees against discrimination or intimidation because of union activity or membership. Absent from the agreement is the shop steward system sought by the union, under which all grievances were to be dealt with through union shop stewards and union officers. The agreement provides instead that grievances must first be taken directly by the employees to the appropriate foreman and superintendent, and subsequently dealt with by the union shop committee only if the grievance remains unadjusted.

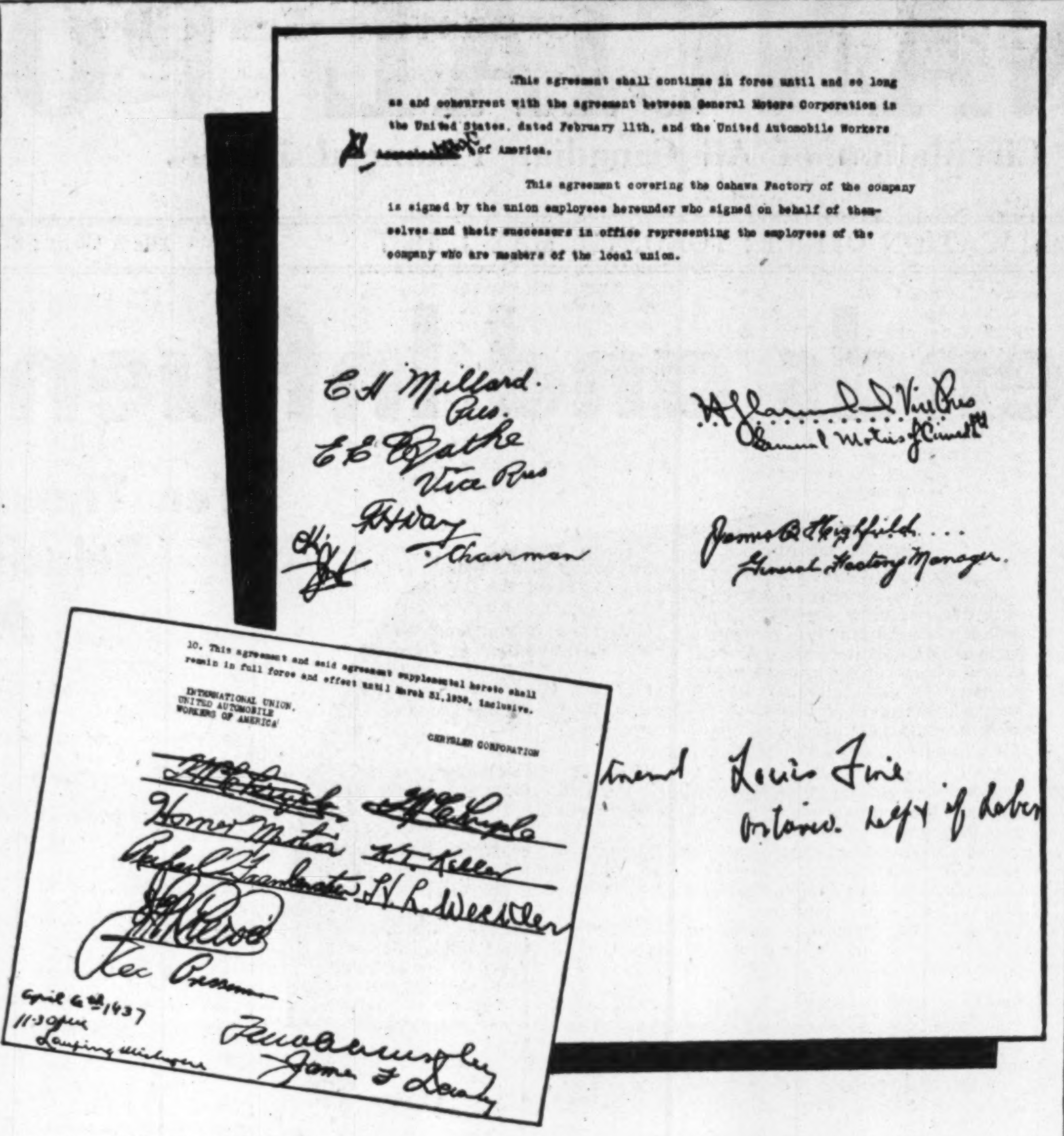
The wage increases and other benefits embodied in the pact had been largely agreed to by the company prior to the strike. These include a 44-hour instead of the present 50-hour week, hourly wage increases ranging from five to seven cents an hour, agreement to negotiate for establishment of basic minimum pay, and reduction of the complained of efficiency rate or "speed up." Weekly pay of the employees will be slightly reduced, even with the higher wage rates, because of the shorter working week, but this may be offset by the promise of time and a half pay for overtime work, and by whatever minimum wage basis is later agreed upon.

C. P. R. To Use Motor Trucks

From Our Own Correspondent

MONTREAL. — Canadian Pacific Railway are putting into operation on May 1 a new motorized cartage service, to give a complete, fast freight service. A fleet of 92 motor trucks will be used on both less-than-carload and carload lots, inbound and outbound. For the time being the service will be confined to the Montreal district.

In addition to the regular services, the new motorized cartage department will provide pool car service over the Canadian Pacific to Winnipeg and Saint John.



This agreement shall continue in force until and so long as and concurrent with the agreement between General Motors Corporation in the United States, dated February 11th, and the United Automobile Workers of America.

This agreement covering the Oshawa Factory of the company is signed by the union employees hereunder who signed on behalf of themselves and their successors in office representing the employees of the company who are members of the local union.

C H Millard Pres. · E E Bathe Vice Pres · Chairman · Vice Pres General Motors of Canada Ltd · James B. Highfield General Factory Manager

10. This agreement and said agreement supplemental hereto shall remain in full force and effect until March 31, 1938, inclusive.

INTERNATIONAL UNION, UNITED AUTOMOBILE WORKERS OF AMERICA

CHRYSLER CORPORATION

Homer Martin · K. T. Keller · Vice President · April 6th 1937 11:30 pm Lansing Michigan · James F. Dewey · Louis Fine Ontario Dept of Labor

C.I.O. FENDED OFF

Text of the agreement ending the Oshawa strike of General Motors employees left the company unmoved from its refusal to deal directly with the C.I.O. or its affiliated auto workers union. At top is a facsimile of the signature section of the Oshawa pact, with company officials' signatures at the right and at the left, those of the committee representing union employees. Notably absent from the Canadian document are the signatures of John L. Lewis, C.I.O. chief; of United Automobile Workers international officers; and any indication that the Oshawa signatories represent the union as an organization. Such signatures and typed label are definitely a feature of the C.I.O.-Chrysler agreement (below) which was made recently in Detroit, and is similar to that made by General Motors Corp. in the United States. It will be noticed that Mr. Chrysler signed on the union side of the document by mistake, and had to cross it out and sign again in the right place.

The Press and C. I. O. . . .

Greenwood Journal, South Carolina

They do things differently in Canada. Across the line there prevails the old idea that the law is a thing to be obeyed and that violators of the law, any law, must be punished. And they are.

Premier Hepburn, of Ontario, is not for or against "either side" in the strike called by U.A.W. officials in the plants of General Motors in his province but he has taken an oath to uphold the law of his land and this law guarantees to all men the right to work if they want to work and have a job.

* * *

Meadville Representative, Penna.

Apparently there'll be no encouragement for sit-downs or walkouts, either, from a "silent" government in Ontario, Canada. "We'll raise an army if necessary," says Premier Hepburn—which may be putting it a bit strongly. At least, however, here's a government official who has taken an open-and-shut stand on the matter.

* * *

Galveston News, Texas

Premier Hepburn of Ontario doesn't propose to tolerate in his bailiwick the high-handed labor tactics which he declares have "brought the United States almost into the state of anarchy." If necessary, he announces, an army will be mobilized to prevent the C.I.O. from dominating Ontario industries.

Presumably the laws of Canada permit union activities so long as they are confined to lawful channels. But if the C.I.O. unions in this country had been so limited it is doubtful if they would have gained much headway. American tariff laws, provoking foreign reprisals, are chiefly responsible for the establishment of factories by American companies in Canada and other countries. Our industrialists exported capital when high tariffs hindered their exportation of goods. It is possible that the Ontario Premier's strong stand against the C.I.O. was inspired partly by the hope that protection from labor lawlessness would attract more American industries. At any rate, it is something for the C.I.O. leaders to think about.

* * *

Montreal Gazette

Mitchell Hepburn, Premier of Ontario, is still the man of the hour. But for his resolute refusal to deal directly or indirectly with the Lewis emissaries in Oshawa the automobile strike in that city could not have been settled on terms satisfactory to Canadian industry, satisfactory to Canadian labor or satisfactory to Canadian public opinion.

The Lewis agents naturally, are laying claim to what they are pleased to call a de facto recognition of the United Automobile Workers and through it of the Committee for Industrial Organization. It would be too much to expect these gentlemen to admit defeat. Nevertheless, the C.I.O. has met with its first major setback through the terms of settlement agreed upon between General Motors and its employees directly, and with no mention of C.I.O. in the agreement. It is quite possible, of course, for the C.I.O. to contend, as it is contending, that the strike which it sponsored has been successful in that important concessions have been made to the employees, but there is no reason to doubt the company's statement that it was prepared to grant these same concessions in negotiations which preceded the strike.

* * *

Hamilton Spectator

John L. Lewis suffered the most serious blow in the present Canadian industrial war when an agreement was reached between the executives of General Motors Corporation and officials of the C.I.O. that the Oshawa strike should be settled locally.

This means that the C.I.O. cannot wave over the heads of Canadian officials the club with which it might have bludgeoned them into submission.

* * *

Stratford Beacon-Herald

It is not against the law in Canada for the men in Oshawa to choose John L. Lewis or any of his associates as their leaders. They are free to affiliate with any American union. Other industrial unions in Canada are affiliated with American organizations. General Motors Co. itself is closely affiliated with, and probably controlled by, the parent company over the line. These are facts to be reckoned with in dealing with the present deadlock. Neither Premier Hepburn nor any other authority in Canada can force the men in Oshawa to repudiate the C.I.O., unless the present labor law is amended.

So far as the lawless methods adopted by John L. Lewis in the United States are concerned, that is another matter entirely. Premier Hepburn has declared that his Government will not stand for sit-down strikes or any other breach of law and order and he has the people of Ontario solidly behind him. The moment one of Lewis's men attempts to incite the Oshawa workers to break the law, he can be arrested and, if convicted, deported.

It all comes down to a question of law enforcement. The fact that the Oshawa workers have chosen to affiliate themselves with an American union is their own business.

* * *

Calgary Herald

Interference by United States labor union officials in the motor plant strike at Oshawa and the threat of the International Longshoremen's Association to cause trouble at Canadian ports because of the existence of purely Canadian longshore unions at these ports suggests it is time this country should seek greater freedom from foreign labor control.

International unionism has been losing ground steadily in recent years because of increasing hostility among Canadian workers to domination from foreign labor leaders. Canadians have been paying into pension funds controlled in the States for many years. They have also been taking orders from the same source.

Canadian employers and Canadian employees are well able to adjust their differences without domination from highly-paid labor officials in the States. The extreme tactics used by the Lewis labor organization, the C.I.O., should serve as a warning to Canadians. We want none of these methods, including the sit-down strike, in this country.

* * *

St. Catharines Standard

A tremendous loss is being incurred daily in Canada as a result of the C.I.O. objective. It is a tragedy when leading men say that the strike can be settled in five minutes, the moment the C.I.O. steps out. In one town in Indiana, Hugh Thompson was rotten-egged out. Such is not the Canadian method, but in the long run, it is firmly believed, reason will prevail and when it does, it will be to the best interests of the workers, as well as to Canadian industry and business.

With the Legislators

Quebec

Power — Premier Duplessis' first electricity bill empowering municipalities to acquire and operate hydro-electric systems has provided a battle royal in committee of the whole. The bill was given second reading last week. Two further bills providing the machinery for the province's new power programme have been announced.

Colonization—Legislation introduced in the House will result, it is announced, in a grant of $50 per family in addition to the present bonus for settlers. This bonus is also increased in proportion to the size of families. The sum of $8 millions is set aside for the establishment of settlers, construction of roads, etc.

Supplementary estimates totalling $6,205,015 submitted to the legislature. The largest item is approximately $2 millions to pay for old age pensions which became effective in the province last year.

Legislatures in Prince Edward Island, Nova Scotia, Manitoba and Saskatchewan have concluded their sessions for the year while the Alberta House stands adjourned until June. A summary of major legislation passed by these Houses is given below:

Manitoba

Income Tax Amendment Act consolidating the statutes to include the 2% wage tax and providing for collection by the Dominion Government. The new system will make it more difficult for those in the higher income tax brackets to evade taxation since federal authorities have head office returns outside the province to check with.

Labor Act providing for collective agreements between employees and employers and for the establishment of an industrial board.

Securities Act Amendment providing for a double audit check by the Winnipeg Stock Exchange and the Public Utilities board. Brokers' auditors will be required to report to the exchange auditor who in turn submits his information to the governing body. The Public Utilities board is empowered to make audits at any time it deems advisable without notice.

Insurance Act Amendments designed to prevent auto accident insurance companies from issuing group insurance policies on privately-owned vehicles grouped by companies for the purpose of obtaining the cheaper rates.

Milk Control Act establishing a milk control board with power to set apart any area within the province and require the licensing of any milk distributor within that area.

Appointment of a special committee of the House to sit during the recess for the purpose of investigating brokerage failures in the province.

Saskatchewan

Corporation Tax Act Amendment levies a tax on chain stores of $15 per store for the first five stores, $30 per store up to 10 stores, and $60 per store for any number in excess of 10.

Municipal Taxation — Amendments to the City Act enable municipalities to impose a tax on rentals paid for houses and apartments and a poll tax ($5 a year suggested) on employed persons over 21 years. One or both of these taxes is likely to be in effect by next year in the majority of Saskatchewan centres

Sales Tax — Two per cent consumers' tax imposed on purchases over a large field. Exemptions are confined to necessities of food and fuel.

Income Tax Amendment providing for collection of provincial income tax by the Dominion.

Workmen's Compensation Act Amendment providing for increased compensation in certain classes of industry.

Minimum Wage Act Amendment widening field for minimum wages to include any class of worker at the discretion of the minimum wage board.

Wheat Pool Act allowing the Saskatchewan Wheat Pool to enter into co-operative enterprises for the benefit of its members. The bill will not be proclaimed until it has received the support of a two-thirds majority of the members at the convention next fall.

Exemptions for Taxation. Municipalities allowed to exempt home improvements from taxation up to the limit of $2,000.

Alberta

Securities Act Amendment tightening standards for registration and giving the Government power to prohibit trading in any security as well as blanket powers to make, amend or repeal regulations.

Social Credit Act providing for consumers' dividends, retailers' discounts, interest-free loans, export subsidies and operation of credit houses. The act will become effective when the commission of three to administer it has been chosen.

Moratorium Extension Act giving the Government power to extend the debt moratorium when the present period expires. The legislation was passed after three bills to replace the Reduction and Settlement of Debts Act ruled ultra vires had been hoisted until the summer session.

Corporations Tax Act increasing corporation levies, particularly on banks and providing an additional revenue of $400,000 to the Government.

Debts Reduction Legislation reducing the interest rate on Government and Government guaranteed securities. The three bills replace previous legislation declared ultra vires.

Trades Union Act recognizing the rights of employees to organize and compelling employers to recognize these rights.

City of Edmonton Charter Amendment to allow the city to adopt the Fortin plan without reference to the taxpayers.

Fixed assessment powers granted to municipalities for the purpose of encouraging new industries.

Fourteen bills were held over until the summer session including in addition to the debt reduction legislation, the Marketing Control Bill, the business licensing and price fixing bills, the poll tax measure and amendments to the sales tax legislation.

Nova Scotia

Trades Union Bill providing for the rights of employees to organize and making illegal the act of any employer which can be construed as restraining these rights. The Act also provides for check-offs of union dues bf employers in cases where other deductions are being made from wages and is described by Premier Macdonald as more advanced than any labor legislation on the continent.

Milk and Cream Producers Protective Act amendment providing for the licensing by a milk board of producers and distributors and the fixing of prices.

Workmen's Compensation Act amendment raising the rates of payment from 60% to 66 2/3% of a worker's regular earnings.

Power Act amendment allowing province to make contracts with utility companies agreeing to pay a part of the cost of rural extension lines.

Gasoline Price Fixing Bill giving the Nova Scotia Public Utilities Board complete control over wholesale prices of gasoline in the province.

Prince Edward Island

Gasoline Tax Act increasing the tax on gasoline from eight cents a gallon to 10 cents a gallon.

Income Tax Act amended to provide for collection by the Dominion Government and making the law of the province uniform with federal law.

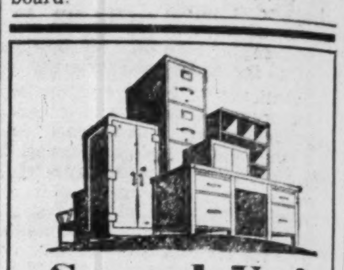
Agricultural Encouragement providing for the establishment of farmer's institutes in the province to be subsidized by the Government and to be under control of the Minister of Agriculture. The Act provides that the minister shall take measures to improve livestock and crops in the island by the importation of breeds of animals and new varieties of grain seed grains, seeds and vegetables and that he shall make other plans for the improvement of stock raising and dairying.

Canada Iron Foundries Sales Up 100% This Year

From Our Own Correspondent

MONTREAL.—Further improvement in operations, with sales for the first quarter up practically 100% over the same period last year, was reported at the annual meeting of Canada Iron Foundries.

The old board of directors was re-elected, with the exception of W. A. H. MacBrien, of Toronto, who was replaced by D. W. Fraser, of Montreal. In addition W. B. Given, of New York, was elected to the board.



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for every purpose
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BRANCHES FROM COAST TO COAST

Standard Clay Closes Plant

From Our Own Correspondent

MONTREAL. — Standard Clay Products has closed down the New Glasgow plant indefinitely, following failure to reach an amicable settlement with more than 200 employees on the question of wages.

Employees, members of the Amalgamated Steel, Iron and Tinworkers' Union, an affiliate of the Committee for Industrial Organization, requested a wage increase of 40%. This demand was rejected by the company as "impossible," but the Glasgow plant officials offered a 10% increase to bring the scale to 27.5 cents an hour.

When the men's committee had failed to reach an agreement, orders were issued to close down the plant.

Later the men agreed to accept the 10% offer pending negotiations toward the full demand, but their proposal was rejected by the company.

A statement has been issued saying the company had continued operations during the depression years in order to provide work. While wages were low, it said, they were as high or higher than those paid in any clay plant in North America.

G. B. & C. Corp. Revenue Up

Gross revenue of Great Britain and Canada Investment Corp. in the year ended March 31, 1937, totalled $267,714, compared with $223,527 the year before. After senior charges, including debenture interest, net profit was $60,475, as against $25,184 in 1935-36.

The balance sheet shows the market value of the company's investments at $6.2 millions compared with $5 millions at the end of the 1936 year and just under $4 millions at the close of 1935. Last year the company retired $41,500 of debentures, reducing the amount outstanding to $4 millions. Changes in the investment portfolio resulted in a net loss of $241,163 which was charged to capital reserve after deducting profit on debentures redeemed.

Income and Surplus Account
Years Ended March 31

	1937	1936
	$	$
Gross revenue	267,714	223,527
Less: Expenses	13,763	11,254
Directors fees	5,000	5,000
Taxes, etc.	7,849	3,366
Debenture interest	180,621	188,723
Net profit	60,475	25,184
Previous surplus	180,756	155,272
Less: Tax adjustments	671	......
Surplus forward	240,560	180,756

Expect 20,000 Canadians Will Attend Coronation

From Our Own Correspondent

OTTAWA.—Parliament Hill's company of demon statisticians, devoting their days to turning out figures covering every phase of the national existence are busy calculating the statistical possibilities of the Coronation.

Already, with nothing more than the vaguest sort of data from which to proceed, they have arrived at the tentative computation that some 20,000 Canadians will spend between $15 millions and $20 millions—not to see the Coronation, for only a fraction of them will get close enough to it for that—but to be in London at the time.

Admittedly, the figures are nothing more than roughly approximate. For Canadian tourists statistics are gathered from the country's travellers when they return, not when they leave.

But by the time the last luxury liner scheduled to arrive in England in time for the great ceremony leaves Canadian shores, the federal passport office will have issued close to 10,000 passports specifically for the Coronation.

Why, then, if only 10,000 passports are being issued for the function, is the estimate of Canadians attending it placed at double this number?

The reason is that any Canadian passport is valid for five years from the date of its issue, without any renewal or endorsation of any kind.

The Government has decided against capitalizing on the Coronation. There will be no souvenir issue of Canadian coins though it is hoped to make the appearance of the new George VI coins coincide with the date of the ceremony. Similarly, the King George VI stamps will all be available by that time. But they will be the coins and stamps for routine use during the reign—not special designs struck for the Coronation.

Altogether, the Coronation, instead of producing revenue for the Government, is costing the Federal treasury the tidy sum of close to a quarter of a million dollars.

There is the sum of $35,000 which Parliament voted to take care of the expenses of its own delegation of a round dozen M. P.'s and Senators.

There is the sum of $197,000 which Parliament similarly voted to send a contingent totalling 353 in number representing the military, naval, and mounted police forces.

And there is the sum of approximately $15,000 representing the cost of new designs, dies, and engravings for the George VI coins and stamps.

Cooksville Co. Evolves Plan

Recapitalize Preparatory to Raising Additional Capital

From Our Own Correspondent

MONTREAL.—Cooksville Co. will raise $940,000 of new capital provided shareholders approve revision of the capital structure along lines proposed by the management.

Arrangements have been made for the sale of $500,000 of 6% bonds, maturing Oct. 1, 1952; $500,000 of 5% first preferred stock and 33,000 shares of common stock, the whole to net the company $940,000.

Upon the sale being effected, subject to confirmation of the recapitalization, the current deficit of $581,000 would be converted into a net working capital of $358,817.

Basis of Exchange

It is proposed to exchange the old preference stock on the basis of one share for one share of new second preferred and four shares of new common stock. With the scheme of arrangement approved, the company will have outstanding $500,000 of 6% bonds; $500,000 of 5% first preferred stock; $400,000 of 5% second preferred stock and 89,000 shares of common.

Never!

NEVER once has Investors Syndicate failed to meet its obligations when due. And in the past decade alone it has paid contract-holders $64,344,636.

Because it is based on the soundest and most conservative principles of diversified investment, the plan of LIVING PROTECTION originated by Investors Syndicate has given to thousands of men and women in Canada a new hope for the future. By setting aside small sums, month by month, they are providing for financial independence in the years to come.

Behind every one of these contract-holders stands $90,889,855 of resources, in which are included sound Canadian securities and cash on deposit with Canadian banks totalling $3,946,825.

Our booklet "A New Plan of Life" is yours for the asking. It explains the plan in detail.

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Agency Offices of INVESTORS SYNDICATE LIMITED (Head Office: Montreal) and INVESTORS SYNDICATE (Head Office: Minneapolis)
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Over twenty-five years of accumulated experience in estate administration.

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200,000 Business Men Have Acted on the Suggestion to Read:—

"How to Win Friends and Influence People"

This new book by Dale Carnegie—who during the past 24 years has trained more than 15,000 business and professional men—fully justifies the high commendation it has received as a practical, straightforward handbook of guidance in business and social life. To the businessman it brings a wealth of knowledge and experience on the vitally important subject of winning friends and influencing people. It teaches by simple examples. It is not a preachment nor an academic treatise.

Ability to study people, make friends and influence the thinking processes of others is a great social asset. To businessmen it opens the gateway to greater accomplishment by showing how to avoid friction and create the most constructive relations between buyer and seller.

This book grew out of the author's experience in conducting a laboratory of human relations—the only laboratory of its kind in the world. It encompasses the fundamentals of business relations with one's customers. Realizing that the biggest problems concern one's relations with other people, it gives Six Ways to Make People Like You—Twelve Ways to Win People to your way of Thinking. It tells dramatically the reasons for some businessmen's success, and it lets these businessmen tell how they have applied the fundamental principles of the author's training course to good advantage.

As 85 per cent of one's financial success is due to what might be termed "human engineering," to personality and ability to lead people, to one's ability to arouse enthusiasm, to an understanding of people and to ability to win them to one's way of thinking, the importance of such a book cannot be overemphasized.

Why are many business letters and other promotion matter unproductive? Does the business attitude of yourself and your associates arouse antagonism among your customers rather than co-operation? Why do merchants rent expensive premises, buy goods economically, dress windows appealingly, spend hundreds of dollars on advertising and then hire clerks who haven't the sense to be good listeners—clerks who interrupt customers, contradict them, irritate them and all but drive them from the store?

Read "How to Win Friends and Influence People" if you want the plain, unvarnished answers to these and other problems which are constantly draining profits from business and detracting from one's social prestige. This is one of the most vibrant, practical books ever produced, on a subject of greatest possible importance to businessmen at this time. It is extremely interesting from cover to cover, commands the reader's undivided attention, and carries the highest possible recommendation from those who have read it.

"How to Win Friends and Influence People" may be secured by sending cheque, money order or postal note for $2 to The Business Book Co., 481 University Ave., Toronto, Ont.

Britain Grades Prosperity

Revolutionary Programme Based on High Taxation and Balanced Budgets Aims at Eliminating Peaks and Depressions of Economic Highway

From Our Own Correspondent

LONDON. — From the vantage ground of prosperity, Britain's captains of finance and economics are planning a new attack on the enemy of all the ages—hard times.

Radically different and challenging ideas of fiscal and economic policy are being put forward. Some of the older beliefs are being discarded; others are being retained. While the programme, as it now takes definite form, may be regarded as tentative—liable to change as experience may dictate— it may well be that the stirrings of a 20th century technique are now being felt; that present day developments will be as historic as was the industrial revolution of a century ago.

Can succeeding generations be spared crucifixion on the cross of recurring depressions? Can the suffering of involuntary poverty be banished? Is the cyclical concept of trade sound? Must boom and slump, good times and bad follow each other with the remorseless precision of day and night?

Medicine Man

It is a fair guess that since the first depression, there has never been lack of panaceas for hard times. From tribal times down, there have always been medicine men of finance and economics. The race of healers has changed very little, as the Douglases, the Aberharts and the McGeers indicate.

But in the United Kingdom today, a stimulating, intensely interesting campaign for "stabilized prosperity" is under way in which the standard bearers are not idealists or unballasted optimists, but the outstanding financiers and economists of the day. When they speak, the collective voice is that of the most skilled and experienced international group in the world.

Individually they are men of varying financial and political creeds and of widely differing backgrounds. There has been no pooling of views, no conference to discuss and agree upon the formula. Their views have been expressed in the annual statements of bankers, the writings and speeches of economists, industrialists and financial editors. The remarkable thing about the scores of opinions which have been expressed in the past three months is this—there is a degree of unanimity both as to immediate and long range policy and, still more surprising, in both fields some of the conclusions are markedly at variance with accepted beliefs.

In broad outline the trend of thought is evident in recent articles by J. M. Keynes and Sir Arthur Salter in The Times: the Salter "Cooper lectures" at Oxford University. Other sources relied on in this article are: the annual statement of the heads of the major banks to their shareholders; declarations by Sir Josiah Stamp, Lord Melchett and other financiers of corresponding standing; articles by Lionel Robbins and other economists in the Economist, the Spectator, and by the leading financial editors of the important dailies and weeklies.

Grading Economic

Undoubtedly, responsible opinion is breaking new ground, abandoning principles long practised and hitherto strongly defended, seeking definite objectives which, plainly, are believed within the grasp of the present generation.

The objective as stated, is to "stabilize prosperity" and the urge springs only in part from the desire to banish in future the twin spectres —the inflationary boom and its inevitable aftermath, the crash. It is regarded as not impossible to take the crest off good times and fill in the valley of hard times, making a smooth gradually rising path into the future.

There are three aspects to be considered. First is the economic condition now prevailing in the United Kingdom. This is important because many of the authorities in dealing with it have expressed views regarding trends as well as price movements of vital concern to countries like Canada.

Then there is the phase of purely national policy: the kind of controls which the recognized leaders believe necessary in Great Britain in order that present prosperity shall be maintained. Finally there is the international field, which, unquestionably is the most important of all.

North America

While much of current opinion in the United Kingdom is of interest to Canada, it must be remembered that trade improvement here began earlier than in either the United States or the Dominion. The authorities agree that in the ordinary course of events improvement in the world position will continue—barring war—for several years and they judge North America to be anywhere from 12 to 18 months behind Britain, Sweden and the other European countries who are in the van of recovery. Some of the immediate policies they now advise for their own country might not necessarily be what they would have commended one or two years ago. But Canada is approaching the point at which her position will not be dissimilar. In some particulars, such as armament expenditures, there is no comparison and Canada, apart from any political considerations involved, is much more happily placed to plan and control her economy.

In the United Kingdom the national income has soared to unprecedented heights. There is a surplus in the unemployed insurance fund. Half a million more are at work than a year ago, and four million are drawing higher wages than in 1935. The United Kingdom, as Mr. Keynes has put it, is "well advanced on the upward slopes of prosperity." To a Canadian, fresh from the drought desolation of Alberta and Saskatchewan, the Old Land seems to be in the midst of a boom. What he sees and hears is reminiscent of Canada in 1928.

Money to Burn

Local bank managers tell you they have more money than they can find borrowers for, although good borrowers abound. Servants may be procurable for love, but not for money. The munitions plants, the factories and the stores cannot get sufficient help. Theatres, restaurants and shops are crowded.

The national income has risen from $21,050 millions in 1932 to $26,500 millions in 1936. Of this some $23,000 millions was spent on consumers goods, another $2,000 millions on maintenance and depreciation of plant, and the balance of $1,500 millions was available for investment.

Apart from the so-called "black areas" comprising chiefly coal and textile districts, every phase of industry is flourishing. New house construction reached 339,536 units last year, which was an advance of 10,000 units over 1935. Railway traffic receipts were up by $25 millions over 1935.

Apart from the "black areas" the unemployed are largely unskilled. It is now apparent (a point not without interest in Canada) that British youths in the depths of the depression greatly underestimated the extent of future recovery and failed to equip themselves for the great opportunities now available.

Rising wages and prices of raw materials are being reflected in higher costs, a fact which is viewed with alarm in financial circles. The income of companies is expanding. The Bankers Magazine record of 365 representative securities showed an enhancement in values last year of $1,850 millions. Retail trade increased in 1936 by 6%.

Rearmament Programme

Superimposed upon the sound advancement in business is the national rearmament programme, the cost of which is now edging up to a billion dollars per year and is likely to go higher. War needs are causing a mushroom growth in many lines of production and are monopolizing industries such as the aviation industry. The Imperial Airways has been compelled to go outside the Kingdom to buy new equipment.

These highlights, drawn at random, indicate what is meant by such expressions as the "upper slopes of prosperity." Recovery has reached the point where the question of future policy is regarded as of vital importance. The heads of all the major banks addressed themselves to it in their annual statements, a steady stream of discussion proceeds in the press, over the radio, at dinners and public meetings.

A National Programme

The national programme being outlined falls into five headings:

1. A balanced budget.
2. Continued low interest rates.
3. Co-operation by financial and governmental authorities to prevent undesirable speculation.
4. Action to curb at the outset the "vicious cycle" of rising production costs.
5. Mobilization of Government and financial forces to act immediately the first evidence of depression appears.

The need of balanced budgets is deemed vital to the prevention of future slumps. The recurring deficit leads to inflation and inflation to crash. Therefore all agree that Britain should balance her budget, including rearmament. Taxpayers must be made to whack up (this when the income tax stands at four shillings, nine pence in the pound) and are deemed able to do it in times like these.

First Major Break

The proposal to retain low interest rates is revolutionary; the first major break with the past. The old technique of interest rate control worked in this way. In a depression, money piled up, unable to find safe investment. Interest rates went down and lower rates aided in recovery.

As production revived and prosperity returned interest rates advanced, helping to check the boom. To this was added in modern times the deliberate adjustment of rediscount rates by central banks.

Authorities in Britain agree that this form of control has probably hastened the onset of depressions, cut short the periods of prosperity. Under the old system when central banks and their member banks advanced interest rates, it is now argued, this action was a red light to the business community. Belt tightening became the preoccupation of individuals and companies which, previously, had regarded the future with optimism. And as everyone buckled down to depression, the mass opinion prevailed—depression was inevitable.

The New Technique

The controls now suggested require close co-operation between Government and financial authorities. The latter can impose a policy of discouraging undesirable speculation, thus preventing plant and equipment expanding faster than consuming power. Supplementing this control, the Government through Parliament, can impose higher taxation upon new flotations, and upon stock transfers. These and similar controls (any number will occur to mind) it is believed will be much more effective than the interest rate method.

The so-called "vicious cycle" of rising costs which in turn robs producers of profits and employees of any advantage of higher wages (a form of inflation just as undesirable as the monetary type) should be curbed, it is agreed, by scaling down tariffs and thus preventing a rise of internal prices. Foreign goods would come in and halt the upward trend of domestic prices. This might lead to a heavy adverse balance but no alarm should be felt on this account. The correction of an unfavorable balance should be sought, it is agreed, in enlarged exports rather than in reduced imports. In Britain's case, all the authorities draw a distinction between rising domestic prices and rising import prices. While the former is identified as an evil (during prosperity) the latter is identified with equal certainty as a good thing. With rising prices of wheat, meat, wool and so on mean, it is argued, raw material countries such as Canada,

RT. HON.
NEVILLE CHAMBERLAIN

Argentina, Australia and New Zealand will become more prosperous and will be the better able to buy British manufactured goods. Furthermore, any enlargement of world trade is greatly to be desired. In Britain's case, it must work to lift the black areas out of depression. All of them are suffering because of lack of export markets.

High Taxation

Finally, and most radical, it is generally believed that with the balancing of budgets must go the retention of high taxation and cessation of public works. In times of prosperity governments must plan carefully a programme of public works to be launched when required. High taxation will produce surpluses which can be used to retire debt.

The moment evidence of an impending depression occurs, the public works should be proceeded with and the Government should reduce taxation.

Although the authorities do not discuss it, the presumption is that tariffs would be used to prevent a collapse in prices of manufactured goods. But they think that if their formula were applied, no contingency of this kind would arise.

This is the national technique now being preached in England. It undoubtedly involves a degree of co-operation between Government and business not hitherto believed practicable. This is true in Britain where there is but a single Parliament and where the contact between Government and finance is already very close. The difficulties in a country like Canada, with nine Parliaments and no central community of finance, trade and government are obvious. The co-ordinating instrument, plainly, is the central bank and it would seem that the Canadian institution will have an active and eventful career if any attempt is made to follow the British lead in this latest perpetual prosperity crusade.

International Programme

In the international sphere the opinion of British authorities is not expressed with as much clarity. But whereas the proposed national technique is mostly to be accepted and practised the international field already boasts one achievement, of immense importance. It is curious that so little attention has been paid by the average businessman, to the stabilization of the pound and dollar, by agreement between London and Washington. Judging by London opinion this co-operation might well be a turning point in history. True, the British authorities seem loath to put over-much weight on what is the most extraordinary post-war development in international co-operation. It still seems fragile and delicate. But with all of them, it bulks large in their scheme of trade control.

Under the old order, a rigid gold standard operated. It worked automatically and while adhering to it, nations were yet able to regard themselves as water-tight compartments. The depression avalanche swept the gold standard away. The World Economic conference failed to find a substitute or to chart the path back to prosperity. Currencies were devalued, and while few advocate a return to the old gold price, the bedevilment of trade by currency inequalities is a matter of common knowledge.

Then Washington and London stabilized their currencies and set up huge funds to ensure future control. This involved a degree of co-operation between the two countries which is unprecedented. In currency matters they are working together: the resources of the one would be used in defense of the other.

The two leading democracies, last September, took France under their protection: enabling the franc to be devalued at a minimum of danger to the economic fabric of the republic. At that time, both Washington and London, in the statement issued, pledged themselves to use every effort to free international trade channels of tariffs, quotas and other restrictions.

Apart from the trade policy, it is now true that currency stability obtains over a wide area, chiefly comprising democracies. The greatest importance attaches to this development. The old gold standard was a fixed affair which operated automatically and seemingly could be sustained without abatement of nationalism.

Stability in Exchange

The new gold standard, if it may so be called, is not automatic, can only be maintained by constant co-operation between the different nations, chiefly the United Kingdom and the United States. It is a conscious effort and to put it mildly, no one in England is ascribing to it the hardihood of, say, the law of gravity. The price of continued exchange stability is ceaseless co-operation. And this in turn must bring closer relationships, better understanding and clearer realization that only in the international field can most of the economic problems be solved.

A prime requirement of the new technique, therefore, is increasing and broadening international co-operation in matters of monetary and financial policy. Nothing any single country can do, it is agreed, can banish depressions. The world is not built that way.

This international control it is hoped will enable local rigidities to be overcome. Such rigidities include fixed prices of many commodities, commercial and agricultural interest rates, inflexible trade-unionized wage rates.

All the authorities stress the urgent need of expanding world trade and most of them refer to the commitment made by Britain and the United States at the time of the devaluation of the franc. They express anxiety lest the impetus behind these governments has been exhausted.

They are agreed that even with domestic controls in operation, monetary co-operation functioning, there is no hope of success unless the volume of world trade is steadily enlarged. Only in this way they say can the wealth of the world be made increasingly available to the human race.

Solloway Gets Permission to Appeal Court Decision

Permission has been granted at Osgoode Hall, Toronto, allowing I. W. C. Solloway to appeal the recent appeal ruling of Mr. Justice J. C. Makins in Supreme Court of Ontario.

Mr. Justice Makins found that Solloway must pay $3,296,591 and costs to G. T. Clarkson, liquidator of the former stock brokerage firm of Solloway, Mills & Co., Ltd., Dominion company.

The judgment in Supreme Court of Ontario upheld the previous finding of O. E. Lennox, assistant master, who found that Solloway had been guilty of misfeasance and breaches of trust in respect of items totalling $3.3 millions.

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Canadian Pacific

Coronation Travellers

Among Canadians attending the Coronation ceremonies will be **Prime Minister Mackenzie King; Hon. Ernest Lapointe,** minister of justice; **Hon. T. A. Crerar,** minister of mines and resources; **Hon. Charles A. Dunning,** minister of finance; **Hon. Ian Mackenzie,** minister of national defense; **Rt. Hon. R. B. Bennett; Ross Gray,** chief Government whip; **A. C. Casselman,** chief Conservative whip; **Hon. Angus Macdonald,** premier of Nova Scotia; **Hon. A. A. Dysart,** premier of New Brunswick; **Col. The Hon. Herbert A. Bruce,** lieutenant-governor of Ontario; **Col. J. E. L. Streight,** M.P. for West York, and commander of the military contingent to the Coronation; **Hon. Eric Hamber,** lieutenant - governor of British Columbia and **Hon. E. L. Patenaude,** lieutenant-governor of Quebec.

* * *

Norman and Mrs. Seagram, Toronto, sailed in the Empress of Australia to attend the Coronation.

* * *

J. G. and Mrs. Hungerford, Toronto, are attending the Coronation.

* * *

F. J. and Mrs. Crawford, Toronto, are leaving for England to attend the Coronation.

* * *

W. H. Cawthra, Toronto, sailed in the Montclare for a six weeks' visit in England.

* * *

Colonel R. Y. and Mrs. Eaton have left this month to attend the Coronation.

* * *

Sailing aboard the Duchess of Bedford from Saint John, N. B. and Halifax for Glasgow, Belfast and Liverpool, recently, were **Hon. Hugh Guthrie,** former minister of justice; **Hon. George DeBlois,** lieutenant-governor of Prince Edward Island; and **Hon. R. C. Matthews,** Toronto.

* * *

J. H. and **Mrs. Gundy** have returned to Toronto after a holiday spent in the South.

* * *

Major C. B. Lindsey, D.S.O., V.D., and **Major R Y. Cory, V.D.,** Toronto, are accompanying the Canadian military contingent to the Coronation ceremony.

* * *

Major Clifford and **Mrs. Sifton,** Toronto, are attending the Coronation.

* * *

Hon. Pierre F. and **Mrs. Casgrain,** Ottawa, sailed on the Duchess of York to attend the Coronation.

* * *

Hon. George and **Mrs. Lynch-Staunton,** Hamilton, will attend the service in Westminster Abbey during the Coronation, later going to Clydagh, their summer home in Ireland.

* * *

Hon. W. E. Foster, speaker of the senate, Ottawa, and **Mrs. Foster** are in London until after the Coronation.

* * *

Sir Charles and **Lady Gordon** sailed from Montreal on the Montclare to attend the Coronation.

* * *

Hon. Mr. Justice Tilley and **Mrs. Tilley** are in London to attend the Coronation.

* * *

Lord Shaughnessy, Montreal, will attend the Westminster Abbey services at the Coronation.

* * *

Napier Moore, editor of Maclean's Magazine, and **Mrs. Moore** are attending the Coronation. Mr. Moore will be present at the abbey services and will be present at the Imperial Conference and Empire Press Union meeting in London.

* * *

The Hon. Chief Justice and **Mrs. R. A. Greenshields,** Montreal, are in London for the Coronation.

* * *

Col. J. S. Bourque, provincial minister of public works for Quebec, and **Mrs. Bourque,** sailed on the Duchess of Atholl recently to attend the Coronation.

* * *

Mayor Stanley Lewis and **Mrs. Lewis,** Ottawa, are sailing on the Duchess of Atholl to attend the Coronation.

* * *

James Y. and **Mrs. Murdoch,** Toronto, with **J. R.** and **Mrs. Timmins,** of Montreal, are leaving at the end of April to attend the Coronation.

* * *

Hon. G. Howard Ferguson, former Canadian High Commissioner in London, was one of 900 Canadians who sailed on the Duchess of York from Montreal, to attend the Coronation ceremonies. He was accompanied by **Mrs. Ferguson.**

* * *

J. E. MacPherson, vice-president, Bell Telephone Co. of Canada, and **Mrs. MacPherson** sailed on the Duchess of York from Montreal, last week, to attend the Coronation.

* * *

Other prominent Canadians attending the Coronation include **Colonel R. E. Wodehouse, O.B.E., M.D.; Allan T. Lewis, K.C.; Colonel A. E. Snell; Hon. Louis Cote, K.C., and M. E. Wilson,** of Ottawa.

O. C. in 1911 Stays at Home

Major-General the Hon. Hugh Havelock McLean, K.C., V.D., LL.D., U.E., former lieutenant-governor of New Brunswick, who commanded the Canadian Coronation contingent in 1911, has received a special invitation to attend the Coronation ceremonies of King George VI and Queen Elizabeth, but has forwarded regrets that he will be unable to attend. He celebrated his 83rd birthday in March.

Chamberlain Plans Check On Armament Inflation

From Our Own Correspondent

LONDON. — In presenting his armament budget to the House of Commons Rt. Hon. Neville Chamberlain, Britain's chancellor of the Exchequer and future prime minister, has announced plans of the Government to steady "violent advances which are often followed by violent collapses" in industry.

The plan centres around the new growth of profits tax which in some instances will run as high as 33 1/3%. The tax is designed to kill three birds with one stone. In the first place, it provides a part of the much needed extra revenue for the British rearmament programme. Secondly, it will keep within justifiable limits the profits of manufacturers derived from this programme. Finally, in the opinion of Mr. Chamberlain, the new tax will provide a possible curb on the inflationary tendency of the arms programme.

"I believe I have in this new impost," Mr. Chamberlain told the House, "created a flexible instrument which should be easily adjustable to changing conditions, with the least possible disturbance to stability."

Only two contingencies, he believed, could interrupt steady progress in Britain.

"One," he said, "would be some great world disturbance outside our control which sooner or later might involve us in its vortex. The whole aim of His Majesty's Government is to use all its power and all its influence to avoid such a disaster. The other danger would be from too reckless expenditure upon objects that are not vitally necessary. That can be avoided by a wise and prudent administration.

"My hope is that the general prosperity, upon which, after all, the fate of every budget depends, will pursue an orderly and regulated progress, so much to be preferred to violent advances which often are followed by violent collapses. It may well be that the proposals I have made today will exercise a steadying effect in that direction."

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Souvenir Coronation Number

On the Front Cover — A handsome full-color reproduction of an oil painting of His Majesty King George in His Coronation Robes by the distinguished artist, Archibald Barnes, R.C.A., O.S.A.

Beverley Baxter — Maclean's London Correspondent writes a colorful first-hand account of events leading to and surrounding the Coronation itself.

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Full-page portrait of King George VI.
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Large portraits of Princess Elizabeth and Princess Margaret Rose.
Pictures of the Coronation regalia.
Pictures of the heralds and pages.
Pictures of Westminster Abbey.
Pictures of the Coronation of George V.

and

THE STORY OF THE CORONATION

A detailed description of the ceremony, the symbolic meaning of the ritual and insignia, order of procession and officers of state.

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STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

The following table is confined to official prices for listed stocks. Where no recent transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING APRIL 26

Range 1937 High	Low	Div. Rate $	Apr. 24 Y'ld %	Stock	Sales	Last Apr. 19	Week end. Apr. 26 H	L	Cl'se
				U					
19	13½	12½c	...	Union Gas	6172	14	14½	13½	13¾
28	20	•	...	Un. Amuse. A	....	(— bid 30 asked)			
27	24	•	...	Do. (B)	....	(— bid 30 asked)			
1.15	.85	•	...	United Distill.	200	.92	.90	.90	.90
62½	51½	•	...	United Fuel, pf.	765	55	58½	55	57½
25	24	2	8.3	United Secs.	....	(— bid 24 asked)			
11½	7½	•	...	United Steel	14514	7⅞	9½	7⅞	8
				V					
8	4	•	...	Viau Bisc.	141	4	5	4½	4½
60	50	•	...	Do. pref.	25	50	54	54	54
				W					
27	22	50c	...	Wabasso Cot.	80	25	25	24	24
49½	43½	2	4.6	Walker-Good.	3611	45½	45	43½	43½
20	18½	1	5	Do. pref.	804	19½	19½	19½	19½
3½	2	•	...	Walkerville Br.	1465	2	2½	2	2
5	2½	•	...	Waterloo Mfg.	487	3½	3½	2½	3½
12½	9½	•	...	West C. Flour	....	(7 bid 9½ asked)			
90	76	•	...	Do. pref.	7	90	76	76	76
70½	65	2.40	3.4	West. Grocers	1	70½	70	70	70
122	115½	7	5.8	Do. pref.	31	120	122	117	121½
18½	16	80+10c	..	Weston Ltd.	1020	16½	17	16	16½
106½	99	5	5	Do. pref.	65	101½	102	100	100
8	4	•	...	Windsor Hotel	....	(5 bid 6 asked)			
23	12	•	...	Do. pref.	....	(12½ bid 18 asked)			
10½	4½	•	...	Winnipeg El. A.	2188	5	6½	4½	6
10	4½	•	...	Do. (B)	835	5	6	5	6
44	29	•	...	Do. pref.	426	30	32	30	31
70	58	1.75▲	...	Wood, A. & J. p	....	(70 bid 95 asked)			
85	75	•	...	Woods Mfg., pf.	....	(50 bid 75 asked)			
				Z					
7½	5½	•	...	Zimmerknit, c.	....	(5½ bid 6½ asked)			
96	92	7	...	Do. pref.	....	(96 bid 97 asked)			

† 1936. b New York quotations.
▲ On account of arrears.
‡ Plus extra of $2 paid Feb. 1, 1937.
• Plus stock bonus of 1% paid Jan. 2, and 1% Mar. 26, 1937.
■ Payable May 20. Subject to ratification at annual meeting, April 29.

Mining Stock Quotations

WEEK ENDED APRIL 26

OIL STOCKS

VANCOUVER STOCK EXCHANGE

OIL STOCKS

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Apr. 27, 1937

Public Utility Issues:	Int. Rate %	Due	Bid Apr. 27	Asked	Bid Apr. 20
†Assoc. Tel. & T.	5½	'55	83	86	86
▲Avalon Tel.	5½	'48	101½	...	101½
Beauharnois P.	5	'73	61	64	59½
‡Bell Telephone	5	'55	112	115	111½
‡Do	5	'57	116	119	116
B. C. Power	4½	'60	95½	98½	96
B. C. Tele.	4½	'61	103½	106½	104
‡Calgary Power	5	'60	95	98	95½
†Can. Nor. Pwr.	5	'53	102½	105½	102½
‡Dom. Gas & El.	6½	'45	92	95	92
‡Gatineau Power	5	'56	100	103	100
‡Do., A	6	'41	100½	103½	100½
‡Do., B	6	'41	100½	103½	100
Gt. Lakes Pwr.	4½	'56	92½	95½	93
‡Inter Hydro-El.	6	'44	74	77	80
‡Inter. Power	6	'57	98½	101½	98
‡Do.	6½	'57	100½	103½	100
▲Do	6	'55	101	104	101
†Maclaren-Que. Power	5½	'61	98	101	98½
†Do.	5½	'64	97½	100½	97½
†Mtl. Island Pr.	5½	'57	103	106	103
†Mtl. L., H. & Pr.	3½	'56	97	100	97
†Mtl. Tramways	5	'41	101	104	101
†Do.	5	'55	80	83	79
Nfld. L. & P.	4½	'56	99½	102½	99½
Nat'l. L. & P.	6	'49	95½	98½	95
N. S. L. & P.	4	'57	97½	100½	98½
†Ot'wa L.H.&P.	5	'57	105	108	105
†Ottawa Tract.	5½	'55	101½	104½	101½
†Ottawa V. Pwr.	5½	'70	104	107	104
†Power Corp.	4½	'59	99½	102½	99½
‡Quebec Power	5	'68	103	106	103
Saguenay Pr., B	4½	'66	102½	105½	102½
Do., A	4½	'66	100	103	100½
†Shaw. W. & Pr.	4	'61	95½	98½	95½
†Do.	4½	'70	101½	104½	102
†South. Can. Pr.	5	'55	102	105	102
†West. Pwr. Co.	5	'49	103½	106½	103½
‡Winnipeg Elec.	4½	'60	104	107	104
‡Do., A	4	'65	78	81	79½
‡Do., B	4	'65	71½	74½	73½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	104	107	103½
Acadia Sugar	4½	'55	101½	104½	101
†Alta. Pac. Gr.	6	'46	98½	101½	97
Asbestos Corp.	5	'42	100	103	100
B. A. Oil	4	'45	101	104	101
Canada Bread	6½	'41	107½	110½	107½
†Canada Cement	4½	'51	101	104	101
†Canada Paper	4½	'52	95	98	95
Can. Steamship	6	'41	68	71	70
Can. Canners	4	'51	98	101	97
Can. Bakeries	6½	'45	100	...	100
‡Can. Inter. Pap.	6	'49	101	104	101
C. P. R.	3½	'51	100	103	102
Do.	4	'49	103	106	104
Do.	4½	'44	101	104	101½
Do.	4	Per.	95½	98½	93
†Can. Vickers	6	'47	99	102	98½
†Consol. Paper	5½	'61	94	97	95½
‡Dominion Coal	6	'55	99½	102½	100
Dom. Sq. Corp.	6	'48	74	77	75
▲Dom. Stl. & C.	6½	'55	105	110	108½
Dom. Tar	4½	'51	98½	101½	98½
Dom. Textile	4½	'55	106	109	106
†Donnacona P.	4-4½	'56	82½	85½	83½
†Eastern Dairies	6	'49	85	88	85
†Famous Players	4½	'51	96	99	96
†Federal Grain	6	'49	100½	103½	100
†Fraser Cos.	6	'50	102	105	101½
Great Lakes P.	5	'55	94½	97½	94½
†Gypsum, L & A	5½	'48	101½	104½	101½
†Gr. Br. & Can. Invest.	4½	'59	88	91	88
Hamilton Cot.	5½	'48	103	106	103
Ham. By-Prod. Coke	5	'55	98½	101½	99
Do.	6	'56	97½	100½	98
†Inter. Paper	6	'55	98	101	98
†Inter. P. & P. Nfld.	5	'68	103	106	103
Inter City Bak.	5½	'48	103	106	103
Inter-City West. Bakeries	6½	'50	54	58	55½
†Kingston Elev.	6	'50	98½	101½	98½
Lake St. John P. & P.	5½	'61	100½	103½	100½
Do.	5	'61	82½	85½	83
†Lond. Can. Inv.	4½	'48	96	99	95½
†Maple L. Mill. (Bundles)	5½	'49	83½	86½	85
†Massey-Harris	5	'47	99	102	99
†McColl-Front.	6	'49	102	105	102½
†Mercury Mills	5½	'53	78½	81½	78½
†Mersey Paper	6	'49	99	102	100
‡M. & O. Paper	6	'45	76½	79½	78½
Mtl. Dry Docks	6	'48	92	95	92
Nat'l Grocers	4	'47	100	103	100
†N. A. Elevators	6	'50	96½	99½	96
Nor. Ont. Bldg.	6½	'39	99	102	99
†Price Bros.	5	'57	99	101	98½
‡Prov. Paper	5½	'47	102	105	102
Queen's Hotel	6	'47	100	...	99
‡Reliance Grain	4½	'52	96	99	96½
†Restigouche Co.	6	'48	112	115	111½
Rich. Bay Bldg.	6½	'47	100½	103½	100½
†Rolland Paper	4½	'51	102½	105½	103
Ruddy & Co.	6½	'48	98½	101½	98½
†Simpsons Ltd.	4½	'51	94	97	94½
‡Smith, Howard	4½	'51	102	105	102
†Steel of Canada	6	'40	111	114	111
Sterling Coal	6	'40	91½	...	91½
Stop & Shop	6	'47	72½	77½	72½
•Twin City	5½	'52	82½	85½	83
United Amuse.	5	'56	99	102	99
United Corp.	5	'53	98	101	98
Unit. Grain Gr.	5	'48	94	97	94
Do.	5½	'49	96½	99½	96½
Union Gas	4½	'50	97	100	97
▲Wabasso Cot.	4½	'51	95	98	95
†Western Grain	6	'49	78	81	78
Windsor Hotel	6½	'43	80	83	81
Do.	6	'47	40	45	41
Zimmerknit	6	'51	99	102	99

‡Payable in Can. or U. S. †Payable in Can., U. S. or U. K. ▲Payable in Can. or U. K. •Payable in U. S. only.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Apr. 27, 1937

	Bid	Asked
Industrial Stocks:		
Acadia Sugar, com.	4.50	5.00
Do., pfd.	5.10	5.40
Acme Farmers Dairy, pfd.	55.00	60.00
Algoma Steel, com.	16.50	18.00
Do., pfd.	80.00	84.00
Andian Nat.	48.00	48.75
Assoc. Tel. & Tel., $6 pfd.	47.00	50.00
B. C. Pulp & Paper, pfd.	68.00	74.00
Do., com.	14.00	16.00
Brandram-Henderson, com.	3.00	....
Do., pfd.	14.25	....
Burns & Co., A	14.25	15.50
Do., B	6.00	7.00
Can. Tube & Steel, pfd.	78.50	....
Do., com.	10.00	11.00
Can. Airways	7.00	8.00
Can. Industries, A com.	244.00	....
Do., B	242.00	245.00
Do., pfd.	158.00	161.00
Can. Ingersoll Rand	132.00	135.00
Can. Westinghouse	68.00	71.00
Chase, A. W., pfd. bonus	26.00	28.00
Claude Neon Gen. Adv., pfd.	14.75	....
Conduits Nat., com.	....	6.00
Crescent Creamery, pfd.	35.00	37.00
Dom. Found. & Stl., new com.	30.00	31.50
Do., pfd.	98.00	100.00
Dominion Rubber, pfd.	105.00	....
Dominion Woollens, com.	.70	1.10
Do., pfd.	1.25	2.25
Dunlop Tire, pfd.	85.00	90.00
Federal Grain, com.	4.50	5.00
Do., pfd.	45.00	49.00
Goderich Elevator	7.50	8.50
Greening Wire, pfd.	104.00	....
Guelph Carpet, pfd.	105.00	107.00
Do., com.	25.00	27.00
Hayes Steel Prod., com.	11.50	13.00
Do., pfd.	8.00	8.50
Highland Dairy, com.	....	2.80
Inter City Baking, com.	35.00	37.00
Inter. Met. Indust., A pfd.	....	103.00
Lake St. John, com.	....	62.00
Lake Sulphite Pulp, com.	23.50	25.00
Loblaw's Inc. (U.S.) Units	60.00	....
McCormick's, com.	4.50	5.00
Do., pfd.	14.00	....
Mercury Mills, com.	....	2.25
Morrison Brass, pfd. bonus	11.50	13.50
Mount Royal Hotel, 6% pfd.	3.00	4.25
New Meth. Laund., pf. bon.	90.00	....
Perfection Pete., pfd.	17.00	21.00
Provincial Paper, pfd.	106.50	107.50
Reliance Grain, pfd.	97.50	100.00
Robinson Consol. Cone	10.00	10.75
Ruddy, E. L., pfd.	41.00	46.50
Seal O Sac (Can.)	20.00	23.00
Silverwoods Dairies, pfd.	3.60	4.10
Standard Fuel, com.	7.00	9.00
Do., pfd.	100.00	....
Supertest Petroleum, B pfd.	26.50	29.00
Toronto Carpet, com.	47.00	....
Do., pfd.	50.00	....
United Steel, A pfd.	16.00	17.50
Western Grain, pfd. bonus	10.00	....
Weston (Geo.) Foods (Eng.)	2.50	3.00
Wings Limited	1.30	1.65
Trusts and Loan Stocks:		
Chartered Trust	94.00	....
Commercial Finance, com.	2.50	2.90
Guelph Ont. Inv., par. $50	49.00	53.00
London & Western Trust	55.00	59.00
Prudential Trust	5.00	....
Sterling Trust	39.00	....
Traders Fin., com.	14.00	17.50
Do., B pfd. bonus	95.00	....
Trusts & Guarantee	30.50	32.50
Insurance Stocks:		
Canada Life	535.00	543.00
Canadian Ins. Shares	16.00	18.50
Confederation Life, 20% pd.	113.50	....
Dominion Fire	133.00	....
Dom. of Can. Gen.	130.00	....
Empire Life, 25% pd.	11.25	13.00
Federal Fire, 25% pd.	38.00	....
Fidelity Ins. of Can.	50.00	....
Great West Life	....	350.00
Guar. of N.A., fully pd.	285.00	300.00
Imperial Life	366.00	385.00
Manufacturers Life	250.00	260.00
Monarch Life, 10% pd.	22.00	24.00
Sovereign Life, 25% pd.	15.00	18.00
Sun Life	680.00	710.00
Western Assur., com.	51.00	55.00
Do., pfd.	40.00	44.00
Theatre Stocks:		
Allens Kingston, pfd.	63.00	71.00
Do., Parkdale pfd.	68.00	....
Do., St. Catharines, pfd.	63.00	....
Do., Tor., pfd. bonus com.	28.00	32.00
Loew's London, pfd.	2.45	2.95
Do., Toronto, pfd.	114.00	122.00
Mansfield Theatre, pfd.	25.00	35.00
Paramount Kitchener, pfd.	55.00	....
Do., Oshawa, pfd.	87.00	94.00
United Amusement, A	26.50	29.00
Do., B	29.00	31.50
Investment Trust Shares:		
Can. Gen. Invest.	10.00	10.40
Can. Investment Fund	4.65	4.90
Can. Investors Corp.	9.00	10.00
Cons. Div. Std. Sec. Units	20.00	24.00
Invest. Found., pfd. bonus	65.00	68.00
Lon. Can. Invest., com.	4.75	5.50
Secs. Hold., pfd. bonus	24.00	25.50
United Corpns., A	24.50	26.25
Do., B	27.50	30.00
Power Issues:		
Abitibi Power & Paper, pfd.	....	85.00
Calgary Power, pfd.	90.00	92.50
Can. West. Nat. Gas, pfd.	92.00	95.00
Do., com.	25.50	....
Foreign Power Sec's., pfd.	10.50	13.00
Great Lakes Power, pfd.	97.00	100.50
Inter. Util., $1.75 pfd.	16.25	17.50
Montreal Island Pwr., pfd.	21.00	25.00
New Brunswick Telephone, c.	14.00	14.50

Listed Bonds

Week Ended Apr. 26, 1937

	Int. rate	Due	High	Low	Range 1937 High	Low
Mtl. L. H. & P. Debs.	3	'39	50½	50½	50½	50½

Unlisted Mines

April 27, 1937

	Bid	Asked
Alden G.	.36	.37
Albany River	.54	.56
Algold	.44	.46
Amm Gold	..	.30
Armistice	.18	.20
Arno	.03½	.04
Athona	.20	.22
Arrowhead	..	.40
Area	.03	.04
Augite	.30	.34
Admiral	..	.33
Alkenore	.19	.21
Alsbach	.05	.07
Altura	.25	.28
Bailor	.04	.05
Barber L.	.19	.21
Bathurst	.03½	.04½
Bidlaque	.30	.33
Big Long Lac	.03¾	.04½
Big Master	.11	.13
Bilmac	.15	.18
Baldwin	.03	.03½
Blanchette	..	.27
Brengold	.07	.09
Bousquet	.03¾	.04¼
Britcanna	..	.61
Bruell	.50	.53
Calder B.	.13	.14½
Cal. Flin Flon	.08	.10
Can. Pandora	.12	.13
Candalaca	.43	.47
Casey Contact	.01	.02
Centre'cr	..	.36
Chesterville	..	2.00
Coin Lake	.13	.15
Condor	.07	.08
Con. Kirk.	.30	.33
Cooke Lake	..	.40
Cres. Kirk.	.10	.12
Cuniptau	.11	.12
Central D.	.34	.37
Central G.	.04	.05
Clifton	.02	.03
Darwin	.23	.26
Dawson	.21	.23
Demp. Cad.	.27	.39
D. Nickel	.36	.39
Desantis	..	.55
Don Mar.	..	.21½
Doreva	.45	.50
Dunlop New	.09	.11
Dickson	.12	.16
Elmos	.29	.32
Empire	.13	.14
El. Bon'za	.13	.14
Electra	.16	.18
Eva Lake	.13	.15
Faulk'hm	..	.55
Fernland	.17	.20
Fleming	.26½	.28½
Franklin	.01¾	.02¼
Frontier	.16½	.18
Fiske	.02	.03
Galatea	.03½	.04½
Globe M.	1.05	1.07
Garnet	.04	.05
Gate Pat.	.11	.13
Gilbec	.03¾	.04½
Gold Range	.04½	.05
Goldside	.05	.06
Golden G.	.49	.51
Gordon Lake	.17	.18
Grenadier	.30	.31
Hudson Patricia	.05	.07
Hislop	.13	.15
Horseshoe	.04½	.05½
Hutchinson Lake	.25	.27
Hugh Pam.	.27	.30
Heyson R	.25	.27
Jedder	.06½	.08
John Nipigon	.05½	.07
Katherine Lead	..	.32
Kaw Crow	.13	.15
Kenecho	.11	.13
Kenricia	..	.72
Kew'gma	.47	.52
King Kid.	.03	.03½
Kir. Vit.	.18	.21
Kirk. Hunt.	.02¾	.03

UNLISTED MINES—(Continued)

	Bid	Asked
Kirk Gate	..	.22
Kirk King	..	.15
Lafayette	.03	.03½
Lake Geneva	.58	.61
Lamaque	8.00	8.25
Lardego	.13½	.15
La Reine	.21	.24
Lake Rose	.06	.08
Lake Rowan	.52	.56
Lavalie	.35	.40
McCuaig	..	.13
Magnet	.11	.13
Magnet C.	..	.34
Magwell	.13	.16
Malartic	.43	.45
Martin Mc.	.07	.09
Martin Bird	.83	.95
Margaret	.42	.44
Maritime	.30	.35
Matona	..	.40
Mat. Can.	.14	.15
Moffatt	.07	.08
McFarlane	.12	.13
McCarthy	..	.35
McVittie	.08¾	.09½
Monarch	..	.15
Mooshla	.48	.53
Mosher	.67	.69
New Rouillard	.28	.33
Norlake	.13	.15
North Shores	.03½	.04½
North Mi.	.12	.14
Oklend	.29	.31
O'Leary	.14	.16
Opem Copper	..	.30
Oriole	.12	.12½
Ossian	.04¾	.05
Osoyoos	.45	.50
Plains P.	3.75	4.25
Pascalis	.30	.33
Payore	.33	.34
Porcupine McN.	.10	.13
P. United	.13	.15
Porcupine Lake	..	.35
P. G. Reef	.03	.04
Porc. Triumph	.24	.26
Pontiac	.12	.14
Pelangio	.21	.23
Proprietary	2.25	2.35
Quemartic	.18	.20
Que. Man.	.85	.85
Rajah	.21	.23
Richmac	..	.50
Ribago	.03½	.04
Roeanor	.16	.18
Ronda	..	.30
Rouyn Reward	.08⅛	.09
Rubec	.06	.07
Sand River	..	[illegible]
Schreiber	.10	[illegible]
Shenango	.24	[illegible]
Silver Valley	.16	[illegible]
Skookum	.15	[illegible]
Siscoe E.	..	[illegible]
Smelter	.05	[illegible]
Spooner	.24	[illegible]
Sturgeon River	.33	[illegible]
Springer	.13	[illegible]
Straw Lake	.17	[illegible]
Tonawanda	.07½	[illegible]
Uchi Lake	.85	[illegible]
Upper Canada	.68	[illegible]
Valora	.20	[illegible]
Wascana	.24	[illegible]
Valloc	.08	[illegible]
Williamson	.11	[illegible]
Wesley	.16	[illegible]
Westside	.11	[illegible]
West. R. L.	.05½	[illegible]
Wendigo	.20	[illegible]
White Horse	.18	[illegible]
Winoga	.21	[illegible]
Wocol	..	[illegible]
Young Davidson	.15	[illegible]
Ypres Cad.	.19	[illegible]

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Ottawa Separate Sch. Commission	April	Harris, MacKeen, Goss & Co.	4%	30-yr. ser.	$350,000	....	....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Alma Mater Society of the University of British Columbia	Apr.	Riddell, Keenleyside & Walsh; Lawrence Smith & Co.	4½%	1950	$40,000	....	....

Stock Issues—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Maritime National Fish (1937) Ltd.	Apr.	Eastern Securities	6%	Pref.	$500,000	$100	....

Government Bonds

Dominion of Canada Bonds

Apr. 28, 1937		Bid	Ask.	Approx. Yld.
5½	1 Dec. '37	102.25	103.00	.45
2½	15 Oct. '39	101.75	102.50	1.47
4	15 Oct. '39	105.25	106.00	1.50
2	15 Nov. '39	100.75	101.50	1.41
1½	1 June '40	99.50	100.25	1.42
4½	1 Sept. '40	107.50	108.00	2.00
1	15 Mar. '41	97.25	98.00	1.52
5	15 Nov. '41	109.75	110.50	2.55
3	15 Oct. '42	102.50	103.25	2.36
3½	1 June '43	99.75	100.50	2.41
5	15 Oct. '43	110.75	111.50	3.03
4½	15 Oct. '44	108.50	109.25	3.10
■2½	15 Aug. '45	97.25	98.00	2.77
4	15 Oct. '45	104.75	105.50	▲3.06
4½	1 Feb. '46	108.50	109.25	3.28
3½	15 Oct. '49	100.50	101.25	▲3.31
4	15 Oct. '52	104.00	104.75	▲3.46
3	1 June '55	94.75	95.50	3.33
4½	1 Nov. '56	107.00	107.75	▲3.53
4½	1 Nov. '57	107.00	107.75	▲3.61
4½	1 Nov. '58	107.25	108.00	▲3.64
4½	1 Nov. '59	107.50	108.25	▲3.67
■3¼	15 Jan. '61	98.00	98.75	3.32
3½	1 June '66	94.75	95.50	3.49
‡3	Perp. bds.	85.75	86.50	3.47

Dominion Guaranteed Bonds

Canadian National Railway:		Bid	Ask.	Yld.
3	1 May '44	100.25	101.25	2.80
3	15 Dec. '50	95.00	96.00	3.37
3	15 Feb. '53	94.00	95.00	3.41
*4½	1 Sept. '51	110.25	111.25	3.50
*4½	1 Feb. '56	110.50	111.50	3.65
†4½	1 July '57	109.75	110.75	3.74
*4¾	15 June '55	113.00	114.00	3.70
5	1 Feb. '54	113.75	114.75	3.81
*5	1 July '69	113.25	114.25	▲3.37
*5	1 Oct. '69	115.50	116.50	▲3.66

Provincial Government Bonds

		Bid	Ask.	Yld.
New Brunswick:				
4	1 Sept. '54	100.00	102.00	3.84
†4½	15 Apr. '61	105.50	106.50	4.07
†5	15 Jan. '60	112.00	114.00	4.06
Nova Scotia:				
3	2 Sept. '45	96.00	98.00	3.27
4½	15 May '43	105.00	107.00	3.22
†4½	15 Sept. '52	106.00	108.00	▲3.58
†5	1 Mar. '60	113.00	115.00	3.99
Ontario:				
*3	1 Dec. '51	93.00	94.50	3.47
*4	1 June '62	101.50	103.50	3.78
4½	1 June '50	107.50	108.50	3.69
*4½	15 Jan. '62	108.00	110.00	3.87
5	15 Oct. '48	111.00	112.50	3.65
*5	2 Dec. '60	115.50	117.50	3.87
5½	1 July '46	113.50	115.00	3.62
Ont. Hydro Comm.:				
3½	1 Apr. '47	99.50	101.00	3.37
4¾	1 Jan. '70	112.00	113.50	4.01
Prince Edward Island:				
3	1 Oct. '45	96.00	98.00	3.27
Quebec:				
4	15 Mar. '52	103.00	105.00	3.57
4¼	1 Aug. '58	106.00	108.00	3.71
4½	2 Jan. '63	108.00	110.00	3.88
Alberta:				
4	15 Dec. '54	57.00	60.50	§
†4	1 Dec. '57	58.00	61.00	§
4½	1 Oct. '51	69.00	72.00	§
†4½	1 Oct. '56	61.00	63.00	§
†5	1 Jan. '48	64.00	66.00	§
5	1 Sept. '55	62.00	64.00	§
*5	1 Oct. '59	64.00	67.00	§
†5½	1 Jan. '47	63.50	66.00	§
6	1 Mar. '47	67.50	69.50	§
British Columbia:				
†4	1 Dec. '57	91.50	93.00	4.52
*4½	15 Jan. '51	98.00	99.00	4.60
†4½	1 Oct. '53	94.50	95.50	4.90
†5	15 Jan. '48	99.00	100.00	5.00
5	1 Sept. '53	98.75	99.50	5.05
5½	1 Feb. '45	100.25	101.25	5.30
6	15 Feb. '47	102.00	103.00	5.60
Manitoba:				
4	2 Jan. '50	84.50	85.50	5.58
†4	1 Dec. '57	84.50	95.50	5.14
†4½	15 Dec. '56	87.50	88.50	5.45
†5	15 June '54	92.00	94.00	5.54
*5	2 Dec. '59	94.50	96.00	5.30
5½	1 Oct. '55	92.25	93.25	6.11
6	1 Apr. '47	96.25	97.25	6.37
Saskatchewan:				
4	15 Aug. '53	80.00	81.00	5.80
4	1 Nov. '60	77.25	78.25	5.69
*4½	2 July '45	89.00	90.00	6.07
†4½	1 Oct. '51	89.50	90.50	5.45
†4½	15 Mar. '60	83.00	84.50	5.72
5	1 Aug. '58	86.00	87.50	6.05
†5½	15 Nov. '46	92.00	93.50	6.41
5½	1 Oct. '52	89.00	90.50	6.48
6	15 Mar. '52	93.50	94.50	6.58

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ■Payable N.Y. ‡Exempt from Dominion income tax. ‡Callable on or after Sept. 15, 1966. §Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2%. •Calculated to maturity, although callable prior to that date.

Winnipeg Stocks

(Transactions from Apr. 19 to Apr. 24)

	Sales	High for period	Low for period	Close Apr. 24
Cres. Cream., p.	10	37.00	37.00	37.00
Cryderman	2,000	.02	.02	.02
Fed. Grain, c.	25	5.00	5.00	5.00
Dom. Env., pfd.	25	99.00	98.50	99.00
Flin Flon	10,300	.13	.08	.10
Gt. Falls M.	3,500	.18	.14	.16
Gold Lake	3,600	.04½	.04	.04½
Gurney Gold	7,350	.45	.35	.42
Island Lake	5,500	.02	.02	.02
Globe R'ylty	800	.20	.17	.20
Marvel Oils	1,800	.09	.09	.09
Optic Lake	100	.80	.70	.70
Ore Grande	15,300	.06	.05	.05½
Packsack	1,800	.15	.14½	.15
Rice Lake	500	.02½	.02½	.02½
Sachigo	6,850	17.50	15.00	17.50
Star Lake	18,000	.03	.02½	.02½
Vanson Man.	10,500	.01½	.01½	.01½
Wpg. R. Tin	2,600	.02½	.02	.02½
Wallace Lake	1,000	.02	.02	.02
Wylie Dom.	1,700	.34	.31	.34
Wingold	4,000	.06½	.05	.06½
West. Breweries	100	1.35	1.35	1.35
West. Steel, pf.	80	12.50	12.00	12.00

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire Insurance	..	100
Can. Indemnity	125	..
Federal Grain, pfd.	50	..
Home Invest.	20½	25
Northern Can. Mtge., pf.	3	..
Traders Bldg.	92	96

*Stocks more active on other exchanges not included.

Mining Dividends

	Rate	Close Apr. 26	Yield %
Anglo-Huronian	20c	6.50	..
Beattie Gold	†5c	1.35	..
Bralorne	40c+15c	7.40	..
Buff. Ankerite	50+5c	9.80	5.6
Bulolo Gold	‡1.40	27.50	..
Cariboo	10c	1.60	6.2
Central Patricia	4c	3.20	..
Coniagas	12½c	2.85	..
Cons. Smelters	$1+$1	79.00	..
Dome Mines	$2+$2	42.25	*9.4
Falconbridge	30c	8.25	3.6
Hollinger	65c+45c	12.00	*9.1
Howey Gold	2c	.40	..
Hudson Bay	$1	29.00	..
Island Mountain	‡10c	.78	..
Int. Coal & Coke	‡1c	.21	..
Inter. Nickel, com.	$2	58.50	3.4
Inter. Mining	15c	12.25	..
Kirk. Lake	‡3c	1.42	..
Lake Shore	$4+$1	50.12	*.10
Lava Cap M.	2c	.88	..
Little Long Lac	20c	6.00	..
Macassa	15c	5.75	2.6
McIntyre	$2	35.50	5.6
McKenzie Red Lake	4c	1.35	..
McKinley Sec.	5c	.63	..
McWatters Gold	5c	.77	..
Noranda	$3	63.00	..
Nor. Can. Mining	2c	.82	..
Nipissing	25c	2.60	..
Premier	12c+1c	2.85	*4.5
Pioneer, B.C.	25c	4.85	..
Pickle Crow	§5c	6.25	..
Reno	12c	.99	..
San Antonio	§5c	1.65	..
Sheep Creek	8c	.80	.10
Siscoe	20c+1c	4.20	*.5
Sudbury Basin	10c	4.45	..
Sullivan Cons.	2½c	1.46	..
Sylvanite	20c+5c	3.30	*7.6
Teck Hughes	40c+5c	5.10	*8.8
Toburn	8c	2.55	3.1
Ventures	2½c+2½c	1.90	..
Wright-Har.	40c+20c•	6.40	*9.4
Ymir Yankee Girl	5c	30	..

‡Interim †Initial.

*Yield includes bonus.

•Includes 10c. interim paid Feb. 1 and extra of 10c.

§In addition, the company has declared an increased dividend of 10 cents per share payable June 30, 1937.

Investment Trusts

	Bid	Asked
Can. Amer. Trust	4.55	4.80
Can. Invest. Fund (ex-div.)	4.50	4.85
All Can. Trustee	14.25	14.75
Trans-Canada	....	14.85
Grouped Income	6.45	7.45
Can. Equity	13.50	....
Can. Int. Tr., modified	6.25	6.75
Do., unmodified	5.75	6.25

Sulphite Pulp Starts on Mill

Construction Work Will be Pushed to Have Plant Ready for 1938

From Our Own Correspondent

MONTREAL.—Construction work has started on the new Lake Sulphite Pulp mill. A railway spur, about a mile in length, will be completed within a week, connecting the mill site with both C.N.R. and C.P.R. at a point about five miles west of Nipigon. Work is also under way on the deep water dock.

A townsite is being laid out. The town will be incorporated as Red Rock, and when the mill begins producing early in 1938, the population will number around 3,000. Negotiations are under way between Lake Sulphite and the Hudson's Bay Co. for the provision of retail facilities in town.

Cording and peeling pulpwood for delivery to the mill next fall and winter will begin during the next two weeks. Wood will be cut on the company's own limits, some of which are within five miles of the plant. Low cost wood will be obtained also from the settlers' lands immediately adjoining and directly across the Nipigon River from the plant.

Over 200 men are now employed on construction work. The number of those on the job will be increased by about 100 a week until midsummer, when some 1,500 men will be on the payroll.

DIVIDEND NOTICES

BANK OF MONTREAL

Established 1817

DIVIDEND NO. 296

NOTICE is hereby given that a DIVIDEND of TWO DOLLARS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after TUESDAY, the FIRST day of JUNE next, to Shareholders of record at close of business on 30th April, 1937.

By Order of the Board

JACKSON DODDS G. W. SPINNEY
General Manager General Manager

Montreal, 20th April, 1937.

The Royal Bank of Canada

DIVIDEND No. 199

NOTICE is hereby given that a dividend of two per cent. (being at the rate of eight per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Tuesday, the first day of June next, to shareholders of record at the close of business on the 30th day of April, 1937.

By order of the Board.

S. G. DOBSON,
General Manager.

Montreal, Que, April 13th, 1937.

The Canadian Bank of Commerce

Dividend No. 201

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st May, 1937, and that the same will be payable at the Bank and its Branches on and after Tuesday, 1st June next, to shareholders of record at the close of business on the 30th April, 1937. The Transfer Books will not be closed.

By Order of the Board,

A. E. ARSCOTT,
General Manager.

Toronto, 23rd April, 1937.

The Guelph Carpet & Worsted Spinning Mills Limited

PREFERRED DIVIDEND NO. 32

Notice is hereby given that a Dividend of One and Five-eighths per cent (1⅝%), being at the rate of Six and One-half per cent (6½%) per annum, has been declared upon the outstanding 6½% Cumulative Convertible Preferred Shares of The Guelph Carpet & Worsted Spinning Mills Limited, for the Three Months ended April 30, 1937, payable May 1, 1937, to Shareholders of record at the close of business April 20, 1937.

By Order of the Board.

B. F. GRIGGS,
Secretary-Treasurer.

Guelph, Ontario, April 26, 1937.

The Shawinigan Water and Power Company

NOTICE is hereby given that a dividend of Twenty (20c) cents per share has been declared on the no par value common shares of the Company for the quarter ended March 31st, payable May 15th, to shareholders of record April 28th, 1937.

By Order of the Board.

JAMES WILSON,
Secretary.

Montreal, April 21, 1937.

Little Long Lac Gold Mines Limited

25 King St. W., Toronto, Ont.

Dividend No. 5

Notice is hereby given that a dividend of 10c. per share has been declared by the Directors of Little Long Lac Gold Mines Limited, payable in Canadian funds on May 15, 1937, to shareholders of record at the close of business on May 5, 1937.

By order of the Board.

L. A. Macdonald,
Secretary-Treasurer.

April 20, 1937.

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Pools Admit Making Use Of Exchange

Dabbled in Futures But Now Seek Grain Monopoly

From Our Own Correspondent

WINNIPEG.—The Turgeon Grain Commission is now launched into that part of its enquiry which has to do with co-operative pool marketing.

The pool case, as presented at Calgary by Paul Bredt, president of Manitoba Pool elevators, and long a member of the executive of the Central Selling agency, is a defense rather of the management than of the theory of the Pools.

A contract pool, handling a portion of the wheat crop can be successful and satisfactory, the pool says, under certain conditions, as the western pools were during the early years of their history. But in the long run such an organization cannot operate successfully so long as there is an open market beside it. Mr. Bredt reports a "change from a belief in the efficacy of a pool handling part of the crop to a conviction that no pool could be a permanent success unless it marketed all the grain delivered."

Compulsory Wheat Board

That view is to lead later to a request on the part of the pools for the establishment of a compulsory wheat board.

A good deal of the time at Calgary has been taken up by a defense of the pools' overseas direct agencies, which were closed by John I. McFarland as soon as he took charge in 1931. There was also defense of the use of the futures market by the pools, including various transactions made, it is insisted, not for the purpose of speculating, but for market stabilization. Two of these gave a considerable profit, but the third, a loss of over $2 millions, making a net loss in this connection of approximately a million dollars. Figures for pool carryovers for various years which were much larger than those which had appeared in previous official pool publications, occasioned some surprise.

They were:

Pool Carryovers

Year ended July 31:	Pool carryover (million bus.)	% Total Canadian carryover
1925	12.2	39.74
1926	21.3	53.12
1927	38.8	69.42
1928	42.8	46.98
1929	84.6	66.51
1930	64.6	50.95

Case Weakened

The pools' attack on the open market, which of necessity would be closed if their present recommendations should be adopted, is considerably weakened by disclosure of the extent to which their ordinary transactions were made through the Grain Exchange, and their business based on prices registered there.

Little Farm Interest

According to reports a large number of witnesses have expressed a desire to appear at Regina both for and against the pool proposals for a compulsory wheat board.

DIVIDEND NOTICES

FORD MOTOR COMPANY OF CANADA, LIMITED

DIVIDEND NO. 38

The Board of Directors has declared a cash dividend of Twenty-five cents (.25) per share, payable on all of the outstanding shares of the Company on June 19, 1937, to shareholders of record at the close of business May 29, 1937.

D. B. GREIG,
Secretary.

Windsor, Ont.,
April 26, 1937.

McKinley Mines Securities Company Limited

(No Personal Liability)

DIVIDEND NO. 6

NOTICE IS HEREBY GIVEN that a dividend of Two and One-half per cent. (2½ cents per share) on the issued Capital Stock of the Company has been declared payable June 1st, 1937, to shareholders of record at the close of business May 15th, 1937.

By order of the Board.

J. INGRAM,
Secretary-Treasurer.

Toronto, April 23rd, 1937.

Blue Ribbon Corporation Limited

NOTICE is hereby given that a dividend of Fifty Cents (50c) per share on the preferred shares of the Company has been declared payable on and after May 1st, 1937, to shareholders of record on the 27th day of April, 1937.

DATED at TORONTO this 23rd day of April, 1937.

J. C. JAMIESON,
Secretary.

Lake of the Woods Milling Company Limited

NOTICE IS HEREBY GIVEN that a dividend of 1¾% has been declared on the Preferred shares of the Company payable on June 1st, 1937, to Shareholders of record at the close of business on May 15th, 1937.

By Order of the Board,

D. A. MacINNES,
Secretary.

JOINS POWER BOARD

Georges St. Germain, St. Johns, P.Q., who has been elected to the board of Southern Canada Power, succeeding the late James Davidson.

Diversity Basis Of New Plans For Marketing

Ottawa Programme Aimed at Solving Sectional Problems

FREE PRODUCTION

From Our Own Correspondent

OTTAWA. — How does the new Dominion Marketing Board propose to function? To what extent will it actually intervene in the Canadian farm enterprise? Will it handle any commodities itself? Will it seek to fix prices, or to control production?

Basically, the difference between the new board and the marketing scheme of the former Minister of Agriculture, Hon. Robert Weir, which broke up on the privy council rocks, lies in the fact that the present organization holds out no hope to Canadian agriculturists of being able to work any miracles on their behalf.

There is to be no "government control" of the Canadian farm enterprise in the sense of the federal department of agriculture telling the individual producer what he should raise and how much, when he should sell and for what price, and what channel of sale he should use.

As Dean A. M. Shaw, late of Saskatchewan University and head of the new board explains:

"I have not so much confidence in myself that I consider myself competent to instruct all the farmers of the Dominion in every detail of their individual enterprises."

Assistance in Problems

The aim is to make available to the farmer all the assistance which federal agencies can extend in solving marketing and economic problems, and to leave in his hands exclusively the basic problem of efficient production of those commodities for which sale can be found.

Mr. Gardiner and Mr. Shaw propose to base their policy on a consideration which seems so obvious now that Parliament Hill is wondering why it was never recognized specifically before. That consideration is the practical impossibility of formulating one agricultural policy for the whole of Canada, and necessity, instead, of devising a suitable policy for each of the main productive areas of the Dominion separately. This simple logic has never been recognized before in the policy of the federal department. Always the quest has been for Dominion-wide uniformity in departmental policies; and to set out frankly to cater to the different producing areas in the Dominion represents a new departure of first-rank importance.

Agricultural Survey

In order to carry out the new policy, some survey of the different agricultural areas of the Dominion will be necessary, with a view to determining the commodities which each section is best fitted to produce. When this question has been settled, however, the work of the marketing board will only be half done. For then its function will be to discover the best markets upon which to dispose of these commodities, and, if necessary, to undertake publicity and other measures short of actually handling the commodity itself to promote their sale.

There will be still other important questions, however, with which the marketing board will concern itself. It proposes to interpret the term "marketing" in the broadest sense as including all the services that are incidental to the removal of commodities from the farm to the market to which they are consigned. Thus, the shipping facilities, both by way of schedules and equipment, will be matters for its concern. Freight and express tariffs, furthermore, will come under its study whenever it appears that they may be the vital factor in the non-success of any commodity.

Grading Plans

Broadly, the marketing board is prepared to concern itself with almost any phase of the farm enterprise except that of actual production, with a view to bringing about the marketing conditions conducive to its success. Grading will be one of its main activities, and, once it has located and developed a market abroad, it will be vitally interested in maintaining a continuous flow of commodities to meet the demand which it has helped to create. Thus an important phase of its work will be educational.

To take a concrete case in point of what the board hopes to be able to accomplish. By experts Canadian cheese is acknowledged to be the equal of the cheddar variety which goes on the English market. The fact is not generally appreciated by the English housewife, however, with the result that she pays a very substantial premium for an English cheddar which is perhaps almost the equal, but certainly not the superior, of the Canadian variety.

Week in Wheat

Better Crop Prospects Easing Wheat Tension

Europe, With Bins Full of Argentine, Loses Buying Interest — New Crop Prospects Offset Dwindling U. S. Corn Supply

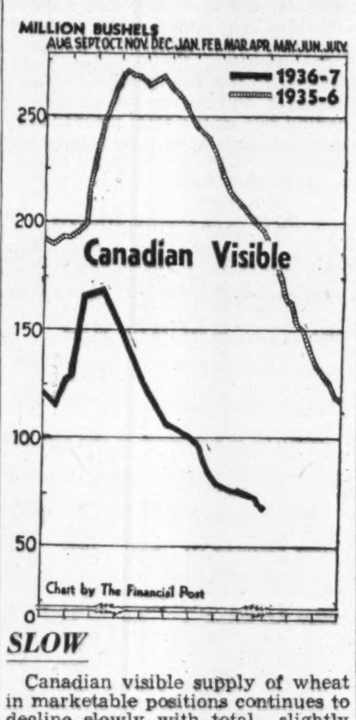
From Our Own Correspondent

WINNIPEG.—No single factor can be isolated as responsible for bringing Canadian wheat prices tumbling 25 cents per bushel from the highs of a month ago. One important development has been the disappearance of the high Canadian premium over Argentine wheat. While it lasted this held Canadian exports at weekly minimums. It was first believed that the gap would be closed by rising prices in the Argentine as soon as the peak of exports from that country had passed. Instead prices have been brought into line largely by declines in Canadian values until our wheat is now selling actually below Argentine in the British market.

Easing of political tension in Europe is another factor behind the recent decline. For a while there was almost a panic among importing countries in their efforts to increase reserves. Now with huge quantities of Argentine grain on hand and steadily better prospects both in United States and Canadian wheat areas that feeling has been replaced by one of cautious buying. India's record crop has further relieved the import situation.

Chief bearish factors in the next two months will come from improving prospects in the spring wheat belts of Canada and United States. Nothing will be certain for at least a month and possibly two. Bullish factors may be supplied by the rate of consumption of United States corn supplies. These are meagre as a result of last summer's abnormally low return. If soon exhausted by cattle feeders then stock will have to be fed low grade wheat.

In the meantime United States is reducing its use of Canadian milling wheat, and supplies held in bond there in expectation of being milled for domestic use, are being returned for export overseas. This move has lessened the demand for shipment of wheat down the lakes, so that cash and May premiums over July have declined.



SLOW

Canadian visible supply of wheat in marketable positions continues to decline slowly with total slightly over 75 million last week. This compares with well over 200 million for the same week a year ago.

Week of April 23	Week Previous	Last Year
75,572,000	77,703,000	204,758,000

Export Clearances*

Week of April 23	Week Previous	Last Year
1,774,379	2,497,518	3,321,755

*Plus U. S. imports.

Seeding Well Started

Seeding conditions are regarded as satisfactory over a large part of the Canadian West. Both Manitoba and Alberta have had plentiful supplies of moisture to ensure germination. The same can be said of northern and central Saskatchewan and for a good deal of the south country. Alberta seeding is well advanced, at least 10 days ahead of last year. Saskatchewan conditions are more spotty, while seeding has been delayed by wet land in Manitoba. But there is plenty of time in all three provinces to do the work that must be done, and farmers do not mind delays from rain or snow.

Larger Acreage

Total acreage seeded to wheat will perhaps be in excess of that of last year. In parts of Saskatchewan and Alberta, farmers are complaining that they cannot get enough relief seed from the provincial governments or the municipalities to seed all the land that is ready for crop, but the total area lost on this account will be small. Probably some areas will be diverted from coarse grains to wheat, partly because of an early seeding season, partly because of the high price of wheat, and also because satisfactory supplies of seed oats and barley are scarce.

More Moisture

Throughout the whole Canadian western wheat belt and also the northwestern spring wheat states of United States the moisture situation at this time is regarded as the most favorable in the last five years. Still more rain will be needed during the early growing period in May and June which, in any season, is regarded as the critical time for the spring wheat. About the only thing that can happen after June, provided satisfactory growth has been registered up to then, would be an epidemic of rust, grasshoppers, or early frost. Of these, the most serious would be rust which spreads in a moist, warm season. None of the three, or all three combined, as a matter of fact, however, compare with the devastation caused by a general drought.

Kenogami Calls Bonds Under Commission Plan

From Our Own Correspondent

MONTREAL. — All outstanding bonds of the town of Kenogami, Chicoutimi County, will be redeemed, whether due or not, with interest accrued on May 1. Payment will be made at the offices of the Banque Canadienne Nationale, Quebec City. Interest will cease to accrue on these bonds from the date of redemption, which is being made in accordance with the law of the Quebec Legislature, sanctioned on April 14 last.

Maritime Telephone Calls All of Series "A" Bonds

From Our Own Correspondent

MONTREAL. — Maritime Telegraph and Telephone Co. has called for redemption on July 1 next at 104 and accrued interest all of its outstanding Series A refunding and general mortgage 5% bonds.

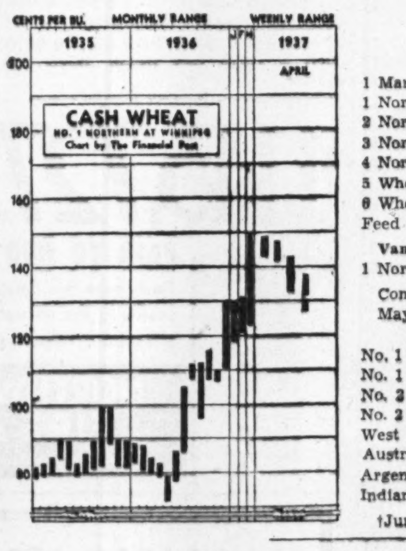
This operation was recently approved by the Nova Scotia Public Utilities Board and the funds for the purpose were raised through the offering of a new Series C bond issue carrying a 4% coupon.

Sladen Malartic Mines Releases Escrow Stock

From Our Own Correspondent

MONTREAL. — Sladen Malartic Mines has advised Montreal Curb Market that the escrowed stock involving 650,000 shares now has been released and that certificates covering the same will be issued in the near future.

Wheat Prices



(Cash Quotations)

	For Week Apr. 27 High	For Week Apr. 27 Low	Prev. Week High	Prev. Week Low
1 Man. Hard	1.37¼	1.28	1.41⅛	1.31⅛
1 Northern	1.37	1.27⅝	1.41⅝	1.31⅝
2 Northern	1.34¼	1.25	1.38⅛	1.28⅛
3 Northern	1.30⅛	1.20⅞	1.35⅝	1.25⅝
4 Northern	1.28	1.18¾	1.31⅞	1.22⅝
5 Wheat	1.21¾	1.21⅛	1.23⅝	1.14⅝
6 Wheat	1.13¾	1.04½	1.15⅝	1.05⅝
Feed Wheat	.91¾	.82⅛	.91⅛	.81⅝
Vancouver: Week to Apr. 26:				
1 Northern	1.31¾	1.22½	1.37⅛	1.26⅞

Competitive Export Prices: May shipments—	Week to Apr. 24 High	Low
No. 1 North. (afloat)	unquoted	
No. 1 North. (Atlan.)	1.55⅝	1.51
No. 2 U. S. Hard*	1.48¾	1.44
No. 2 North. (Atlan.)	1.54	1.49⅝
West Australian (afloat)	1.42½	1.40⅛
Australian	1.41¾	1.38⅞
Argentine Rosafe†	1.46⅝	1.38⅛
Indian (new crop)†	1.41	1.38⅛

†June shipment. *August.

Winnipeg Grain Futures

Week to Apr. 27, 1936

Crop year from Aug. 1, 1936 High	Low		Open Apr. 21	High for week	Low for week	Close Apr. 27
		Wheat				
1.51⅝	1.05⅝	May	1.38⅜	1.38⅞	1.27⅛	1.29⅝
1.47	1.03¾	July	1.34¼	1.34½	1.24	1.26¾
1.31¼	1.04⅛	Oct.	1.21⅛	1.21½	1.12⅝	1.15⅝
		Oats				
.63⅜	.42¼	May	.58¼	.58¼	.54⅜	.56
.60¾	.43⅜	July	.54	.54½	.50	.51¾
.54¾	.42¼	Oct.	.46¾	.47¼	.42¼	.44⅞
		Barley				
.88⅛	.50⅝	May	.71	.72	.66⅝	.69¾
.82⅛	.56¾	July	.67⅝	.67¾	.61	.63½
.75¼	.51	Oct.	.59⅛	.59½	.51	.53¼
		Flax				
2.03½	1.60½	May	1.80¼	1.80⅝	1.72	1.73¼
2.05	1.63¼	July	1.81¼	1.81¼	1.72	1.75¼
2.01	1.70	Oct.	1.77½	1.77½	1.70	1.73¾
		Rye				
1.21¼	.62⅝	May	1.13½	1.15⅝	1.07	1.10
1.19	.78¼	July	1.09¼	1.10¼	1.02¼	1.05⅜
1.04½	.83	Oct.	.92	.92⅞	.84	.87⅝

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Successful Teamwork

Joint Talents of David Dunkelman and H. P. Mackechnie Build $1,500 Investment Into $6 Millions Industry

By GUY S. CUNLIFFE

Pyramiding of a $1,500 garment factory investment into the huge enterprise of Tip Top Tailors, Ltd., with its $6 millions annual turnover has involved combination of its founder's industry and originality with the special talents of a canny Scot.

Biggest single unit in the nation's garment industry, the concern has been inspired and directed from its inception by David Dunkelman. At his right hand almost since the start a quarter century ago, has been H. P. Mackechnie, Toronto-born Scot, who is now the secretary and general manager of the company.

Back in 1910, Mr. Dunkelman was harassed by the heavy credit losses which afflicted almost every manufacturer in the industry in those days. He was beset periodically with trouble over salesmen on the road. On various occasions he was summoned by police in small Ontario towns to deal with travellers who had landed behind the bars for drunkenness or other misdemeanors.

So he conceived the idea that a garment manufacturer had to have his own retail outlets as the foundation of his business. He could not depend solely on sales to the general retail trade. He would have to protect himself against losses resulting from bankruptcies of wholesalers and retailers, and from payment evasions. Stability and dependability in dealing with the public were essential.

COMBINATION

The development of Tip Top Tailors, Ltd., to its present position as "the biggest tailor shop in the Empire" is ascribed largely to the combination of the ideas and organizing ability of President David Dunkelman (seated in above photo) with the genius for accounting and industrial system of Hugh P. Mackechnie (standing).

Pondering on how to achieve this apparent Utopia produced for David Dunkelman the answer: Sell direct at one price through your own stores. There followed opening in 1910 of the first Tip Top store on lower Yonge Street, Toronto. The rest is industrial history. In the making of that history two diverse but complementary personalities have participated, two sets of distinctly different talents have been welded into an instrument of immensely profitable success.

Soaring Profits

Within a few years, Mr. Dunkelman's ability to organize and coordinate fundamentally separated operation had made the one-price, direct sale enterprise a real money maker. By 1914, the gross annual business totalled $75,000 a year. But the business was growing so rapidly that chaos prevailed when it came to keeping tab on what the profit was and how much it was costing to produce it.

For the enlarging business sprang from modest beginnings. David Dunkelman's first bid for a foothold in the business world was, briefly, as associate of his father in operation of a plant specializing in buttonholing of unfinished garments. He rented a small shop in a factory building, got hold of the necessary machines on a rental basis. With the automobile industry still in its infancy, he made his calls in a horse drawn vehicle to get garments from clothing makers for buttonholing.

Within a few years, he managed to get together a modest capital of $1,500. Aspiring to have his own plant where complete garments would be made, he bought the Berger Tailoring Co., which incidentally is still the nucleus of the Tip Top corporate structure. Once the direct retailing hurdle had been jumped, success came with a rush.

But in building the foundations of today's big concern, he had neglected a phase about which he was quick to admit he knew very little. Starting out as a youth to make his way in the world, he had had no time to learn the intricacies of office organization, accounting and bookkeeping, systemizing of records, gearing of inter-related operations on the highest plane of efficiency.

18-year-old Accountant

This is where Hugh Mackechnie came in. At the time (1914) he was still a downy-cheeked youth of 18, but he had an impressive flair for figures, for devising accounting systems. He had already displayed this flair in no less than three jobs he had held, at an age when most boys are still in school.

He started in a Dominion Bank branch as a junior. He astounded his fellow clerks and the manager by consistently getting "first shot balances" and quitting work at four o'clock. But the manager's astonishment was not sufficient to grant that "Mackechnie pup" a raise, so he left.

He attached himself to the staff of an accountant's office, and within a year had become a partner in the firm. Again he sought a broader and more lucrative field for his endeavors, and landed with the Goodyear Tire and Rubber Co. as accountant. He straightened out trouble in that firm's records and installed a new accounting system.

The Great War brought opportunity. David Dunkelman's bookkeeper gave up his job to go to war, and Mr. Dunkelman went looking for the smart youth who, as the boy partner in an accounting firm, had done excellent work for him a year or so before. But C. H. Carlisle, head of the Goodyear company, did not want young Mackechnie to leave, and offered to put him in charge of Goodyear's Calgary office. Mr. Mackechnie didn't want to live in Calgary and decided to attach himself to what looked like a coming concern in the clothing industry.

System from Chaos

He found the records, accounts and office system of his new employer in bad shape. No balance had been attempted for three or four months. It was impossible to tell how much money was coming in, how much was going out. When a shipper was ready to send out a consignment, he would tear a piece off the wrapping paper, scribble a notation on it, and send it to the office stenographer. If the slip got lost—as it often did—there was no record of the shipment and the consignee was never billed.

Always obsessed by a mania for work, Mr. Mackechnie labored night and day to bring order out of the chaos and put an efficient accounting record system into operation. As he labored, the business grew. Gross sales jumped to $250,000 in 1915, $500,000 in 1916. There were many 24-hour periods during which he never left the office.

But David Dunkelman knew where he stood, how much was coming in, what the profits amounted to, how much it was costing to operate, what future liabilities were. Knowing in detail what his costs were enabled him to learn where these costs could and should be cut.

In addition, Mr. Mackechnie's bank experience made him realize that the firm was paying too much for its banking service. So, though only 20 at the time, he delivered an ultimatum to the manager of the bank handling the Tip Top account. When the manager gave no satisfaction and stormed at the "impertinence of a young upstart," the $400,000 account was promptly transferred to another bank.

With the addition of a detailed unit costing system installed in 1928, the accounting and record system of the company today is basically the same as that devised and installed by Mr. Mackechnie in the 1914-16 period. And down through the years the system has played a vital part in stabilizing the dramatic expansion of the enterprise and channeling it along controllable lines.

Nurturing Expansion

The terrific expansion, not only threatened breakdown of the accounting but put a strain on the manufacturing facilities. Mr. Dunkelman and Mr. Mackechnie between them adapted the mass production, assembly line system on heavier industry to the production and distribution of clothing, essentially a manual craftsmanship process. The cutting and putting together of clothing were divided into phases, and each phase allotted to groups of experts in their particular line, adhering to the made-to-measure principle but reducing costs and speeding production.

The small plant of 1914 has grown into a $1 million building on Toronto's Lakeshore Blvd., housing nearly 1,200 employees. The single first store has multiplied into more than 50 Tip Top stores from coast to coast. Several hundred thousand garments a year, now including women's tailored clothing, are sold through the company stores and the 3,000 agencies handling Tip Top products. Subsidiary firms sell direct to the general trade.

One of the subsidiaries is the W. R. Johnston Co., a firm from which, years ago, Mr. Dunkelman used to get clothes for buttonholing.

The credit losses that once worried Mr. Dunkelman today do not run over ½%. There is a differential of only ¼% between the amazingly detailed costing estimate system and actual material and operating costs.

By the very nature of the business and its operations, this costing system has to be extraordinarily complex. Tip Top salesmen measure customers for clothes with 21 different place checks, no two men have been found whose 21 measurements coincide, making for an infinite variety of cutting, materials and styles, of sizes and shapes of the various parts of a suit.

Cost Accounting

More than 60 operators work on a single coat. Individual cost sheets are used to trace basic costs on 300 different styles and types of garments. Slight errors might mean thousands of dollars of loss in keeping track of actual costs and estimating future costs and cost standards. The monthly check made of any variance between estimated yardage and cost and actual yardage has been a valuable indicator of changes in public taste as to style, materials and quality.

Also kept to an efficient minimum is cloth measured by the square-inch method, providing intricate scales which tell how much cloth must be cut from a bolt for each garment. Cutters receive yardage required to cover each made-to-measure order. Wastage is minimized. Labor costs are easily determined on a piece-work basis and weekly statements show profit and loss in each shop, permitting control through adjustments. Factory overhead is checked on a unit basis and actual overhead percentages calculated monthly.

United States Fidelity & Guaranty Company TORONTO

NOTICE

Notice is hereby given that Arex Indemnity Company has received from the Department of Insurance, Ottawa, Certificate of Registry No. C-313 authorizing it to transact in Canada the business of Insurance against liability for loss or damage from accident to employees or other persons or to property.

V. W. GERRISH, Chief Agent for Canada.

Toronto, April 9th, 1937.

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Better Tone In Mortgages

Demand For New Mortgages Poor, Collections Higher

Companies dealing in mortgages see definite signs of improvement in their business, according to reports obtained from a number of loan and trust companies by The Financial Post. However, it was emphasized that they had a very long way still to go before recovery would reach a satisfactory level.

Greatest point of weakness in the situation appears to be a lack of demand for new mortgage loans from sources which provide a satisfactory risk. Competition for such loans as are offered is keen and borrowers are being offered favorable terms. As a result some companies feel that even the business which can be obtained is not very profitable. Possible explanation for the lack of demand for new mortgages may be found in the belief of some mortgage company officials that the apparent shortage of housing has been overemphasized.

Sales of real estate are increasing and companies have been able to dispose of properties which have been held for some time. No particular district or type of property has benefited by tendency toward a freer demand for real estate. A good demand for the better class of farm property at fair prices, even in the drought areas of the prairies, has been noted by some companies. Dwellings, however, still enjoy the best market.

Greatest progress has been made in Ontario and the improvement in such hard-hit cities as Windsor has been quite marked. One large company stated recently of its holdings of Windsor property only two dwellings were vacant. Improvement, however, has been general from Halifax to Vancouver with the possible exception of Montreal.

Marked improvement has been seen in collections of rentals, interest and principal. One important mortgage company last year collected 6¼% on the total principal amount of mortgages which it held. In this case there was very little difference between collections in western Canada and in the east.

Taxes on real estate are still a heavy burden and show little sign of becoming easier. Debt legislation is a problem and the final effect cannot be accurately estimated.

Advertising Linage

From Our Own Correspondent

MONTREAL.—Newspaper advertising linage in the United States, according to returns compiled by Media Records Incorporated, and published by Editor and Publisher, amounted to 126.1 million lines last month, an increase of 8.3% over the same month last year.

Life Business Up 5 Per Cent During March

All Provinces Report Improvement Except Alberta

FIRST QUARTER DOWN

All provinces in the Dominion, with the exception of Alberta, showed improvement in sales of new ordinary life insurance in March, compared with the same month a year ago. As against the previous month, only Nova Scotia and New Brunswick reported lower totals, and the reduction in these instances was quite small.

March sales amounted to $32 millions, compared with just under $30.6 millions in March, 1936, and slightly more than that figure in February. Almost 50% of business written during the month was in Ontario, where volume was up 6% from last year. Sales in British Columbia showed a similar proportionate advance. Quebec business at $9 millions was up 4½%, Manitoba about 3% and Saskatchewan 1%. Greatest improvement in the Maritime provinces was in Prince Edward Island where sales increased from $85,000 in 1936 to $118,000 this year. Alberta sales were down nearly 11%.

Despite the material improvement in February and March, sales in the first quarter of 1937 are still $2.4 millions under those for the corresponding period of 1936 at $90.3 millions. Gains in subsequent months have not been sufficient to wipe out a decline of $5.6 millions in January.

Comparative figures, based on returns to the Life Insurance Sales Research Bureau by 18 companies having 89% of the total insurance in force, are as follows. The figures are exclusive of group insurance, annuities, revivals, etc.

ORDINARY LIFE SALES*

(a) Sales by Months, 1934-1937

($ 000's omitted)

	1934	1935	1936	1937
Jan.	27,718	32,988	33,347	27,699
Feb.	29,036	28,716	28,834	30,604
March	32,564	31,416	30,552	31,998
April	33,296	28,900	28,876	
May	33,134	27,423	28,411	
June	32,277	32,112	31,247	
July	33,951	32,155	31,396	
Aug.	26,650	26,854	23,547	
Sept.	26,123	26,696	26,090	
Oct.	31,342	30,416	29,402	
Nov.	35,863	35,158	36,710	
Dec.	27,691	36,550	34,146	

*Based on 19 companies in 1934 and 1935 and on 18 companies in 1936 and 1937.

(b) Sales by Areas

($ 000's omitted)

	Mar. 1937	Mar. 1936	Feb. 1937
Alberta	1,133	1,272	1,029
British Columbia	2,387	2,247	2,125
Manitoba	1,659	1,615	1,496
New Brunswick	754	743	769
Nova Scotia	1,044	1,041	1,067
Ontario	14,661	13,819	14,555
Prince Ed. Island	118	85	75
Quebec	9,044	8,651	8,481
Saskatchewan	941	931	805
Newfoundland	257	148	202

In the United States, new life insurance production in March was 19%, with the first quarter being 8.8% above the 1936 level March business, as reported by companies having 83% of total business in force, was $917.8 millions, with the three months' total $2.3 billions. All classes of insurance contributed to the improved showing, with group, ordinary and industrial business ranking in that order.

Montreal Bonus Option Involves Athona Mines

The second "mining stock bonus" proposition to Montreal Life Insurance Co. agents has taken definite form. The stock concerned is that of Athona Mines, 1937, Ltd., and 10,000 shares will be set aside as an incentive to greater sales effort up to May 31.

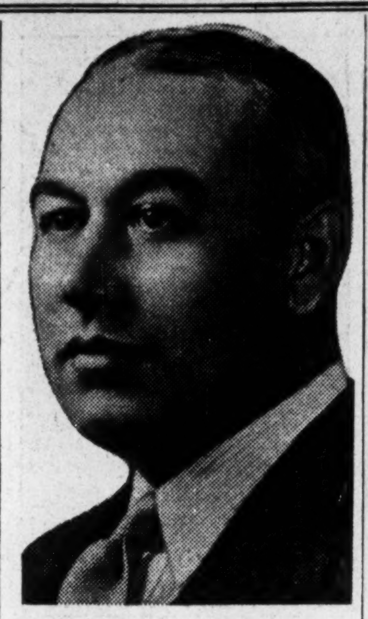
Late last year, A. P. Earle, president of the company, made an offer whereby agents who produced a minimum of $10,000 of paid business in a two-months period were given options to purchase shares in Slave Lake Gold Mines, Ltd. Under the plan, qualifying agents were granted options to purchase the stock at $1.25 a share, one share for each $1,000 of business produced, with a maximum of 50 shares to any one agent.

Options on the Athona stock hold good until June 15, 1938, and may be purchased by qualifying agents until that time at a cost of 50 cents a share. Current market quotations for the stock are 20 to 24 cents a share.

Committee Considers Standard Cargo Form

The Joint Committee on Definitions will shortly consider a standard approved policy form for "cargo" insurance, The Financial Post is informed.

The Ontario Public Carrier Vehicles Act calls for owners of motor vehicles to insure their cargos under a standard approved form. To date, such a form has never been approved.



INSURANCE HEAD

Georges Lafrance, who has been named superintendent of insurance for the province of Quebec. Mr. Lafrance was born of French-Canadian parents in 1899, in Sabrevois, a little town on the Richelieu River near St. Johns, Que. A graduate of Higher Commercial Studies Institute of Montreal, he later studied at Edinburgh University where he obtained his degree in actuarial mathematics in 1928. On his return from Scotland, Mr. Lafrance was appointed lecturer in actuarial science at Higher Commercial Studies Institute, and in September, 1929, joined the actuarial department of the Sun Life Assurance Co. of Canada.

Saskatchewan Mortgagee May Select Own Insurer

From Our Own Correspondent

REGINA. — The Saskatchewan Legislature has amended the provincial insurance act to remove restrictions placed on some fire company policies and their acceptance as collateral on mortgages. In the past, the mortgage companies were allowed to select the insurance company with which the business would be placed. This right has now been given to the mortgagee.

Auto Salesmen's Group Denies C.I.O. Affiliation

Through E. N. McVicar, secretary, the Toronto Automobile Salesmen's Association denies that it is seeking affiliation with the United Automobile Workers, C.I.O. union.

In the last issue of The Financial Post, Hugh Thompson, C.I.O. auto workers organizer, was quoted as reporting that a group of automobile salesmen in Toronto were negotiating to link up with the union.

According to Mr. McVicar, the T.A.S.A. is the only organization of its kind in the city and has "no intention of affiliating with the C.I.O. or any other organization."

New Licenses

The following insurance companies have been granted certificates of registry by the federal department of insurance to write the classes of business named in addition to those for which they are already registered:

Acadia Fire Insurance Co.—Falling aircraft, earthquake, loss of or damage to property caused by vehicles, limited to properties already insured for fire.

Guardian Assurance Co.—Personal property, loss of or damage to property caused by vehicles, limited to properties already insured for fire.

Scottish Union & National Insurance Co.—Falling aircraft, hail, loss of or damage to property caused by vehicles, limited to properties already insured for fire.

Eagle Star & British Dominions Insurance Co.—Personal property.

Patriotic Assurance Co.—Personal property.

L'Union Fire Insurance Co.—Loss of or damage to property caused by vehicles, limited to properties already insured for fire.

L'Abeille Insurance Co.—Civil commotion limited to properties already insured for fire.

Caledonian Insurance Co. — Personal property.

Provincial Insurance Co. — Loss of or damage to property caused by vehicles, limited to properties already insured for fire.

British Oak Insurance Co.—Loss of or damage to property caused by vehicles, limited to properties already insured for fire.

Cornhill Insurance Co.—Loss of or damage to property caused by vehicles, limited to properties already insured for fire.

L'Urbaine Fire Insurance Co. — Falling aircraft, civil commotion, and loss of or damage to property caused by vehicles, limited to insurance of properties already insured for fire

Ocean Accident & Guarantee Co.—Personal property.

Insurance Inklings

H. W. DEAN has been appointed district manager for the National Life at Hamilton, succeeding A. J. ELDER, who has been transferred to head office for special work. E. A. LAMY has been appointed supervisor of the company at Saint John and J. E. R. PEPIN has been promoted to district manager at Sherbrooke.

A. E. NICHOLL has been appointed general agent for the Maritime Life in Bermuda.

J. Q. STRONG has been appointed secretary of the agency department of the Canada Life.

Sun Life, St. James St., Montreal, branch recently moved to larger quarters on the ground floor of the company's building on Dominion Square.

$1,143,727 in Dividends
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BRANCHES ACROSS CANADA: Toronto, Hamilton, Ottawa, Montreal, Quebec City, St. John, Halifax, Winnipeg, Saskatoon, Calgary, Edmonton, Vancouver, Victoria, Kelowna, Vancouver
Each year this "mutual" company distributes its surplus or profits to the policyholders in the form of dividends. Why not earn dividends on YOUR fire insurance in 1937?
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Warns Against Abusing Annuity Tax Exemption

A note of warning to life insurance underwriters in connection with the recently enacted amendments to the Ontario Succession Duties Act was sounded this week by R. Leighton Foster, general counsel of the Canadian Life Insurance Officers Association, in an address to the Toronto chapter of the Institute of Chartered Life Underwriters.

The onus falls on life company men, Mr. Foster contends, to ensure that abuses do not intrude. Under the heading of "exemptions from duty," the Ontario act now provides that annuities, periodic payments, etc., arranged by a deceased person, in connection with his employment or otherwise, and paid to the wife or any dependent father, mother, brother, sister or child, shall be exempt from duty to the extent of $1,200 per person or $2,400 in all.

Mr. Foster suggests that while employers may establish their own pension plans, annuities purchased from the Dominion Government and income settlements arranged with trust companies, life insurance, with a trained corps of underwriters in direct daily contact with the public, "must assume primary responsibility for showing people how to take advantage of the new legislation and, at the same time, for guarding against its abuse."

"The law must not be abused," he warned. "It must not be employed in tax evasion. It provides a substantial, even generous, exemption. Its purpose is abundantly clear. Even the wealthy man is encouraged to arrange annuities for his children and grandchildren so that should they lose the remainder of their inheritance they will nevertheless always be financially independent of the state. Such is the spirit of the law. Nevertheless it is possible that attempts may be made to use it in improper ways. If, for example, the beneficiary had the privilege of commuting the periodic payments and exercised it immediately the estate was settled and the duty paid, obviously the intention of the exemption would be defeated. If the law is abused, the exemption may well be withdrawn another session as quickly and unexpectedly as it was granted."

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp and address label from The Financial Post should be enclosed.

Commercial Travelers

Any information which you have on file relative to The Commercial Travelers Mutual Accident Association of America would be greatly appreciated. Has this company a Canadian license?

Commercial Travelers Mutual Accident Association, with head office at Utica, N.Y., was granted a license by the Dominion department of insurance in 1934 as a fraternal benefit society. In the United States, the association offers both accident and health insurance. In Canada, operations are confined to accident business.

Two types of policies are issued. These are identical except that one is termed a double benefit and, for exactly double the cost offers proportionately greater benefits.

The association's business is on a quarterly premium basis, the rate not exceeding $3 a quarter for the single benefit policy. Hospitalization expenses are included under both plans for an additional charge of $1. In addition to this, there is an entrance fee varying from $2 to $5 according to the type of policy chosen and whether or not hospital expenses are covered.

Business is written on an assessment basis, which means, of course, that members are liable to pay any assessments which may be levied during the term of the policy. It is stated, however, that no assessments of more than the ordinary dues have ever been made. Membership numbers well over the 200,000 mark, with roughly 2,500 in Canada.

Although the name of the company implies that it was originally organized among commercial travellers, articles of the association contain no limitations, and apparently anyone between the ages of 18 and 55, who is rated a preferred insurance risk is eligible. The association reports that of total income of more than $55 millions paid into the organization, almost 80% has been paid back in claims.

According to latest available figures, the company has total assets in Canada of $52,100, practically all in cash and bonds. Liabilities amount to $7,938. Deposit with the receiver-general for the sole protection of Canadian policyholders amounts to $22,000. Premiums written in the Dominion last year totalled $35,164, of which $31,032 was paid in claims. Assets of the company as a whole are about $2.3 millions, with a surplus over all liabilities of more than $700,000.

Bridgewater, N.S., reports that collections of current taxes in 1936 amounted to 85% of the levy. Total expenditure in 1936 was $120,560, while revenue amounted to $121,912. The balance sheet shows assets of $820,383 and liabilities of $477,223.

FINANCIAL TRAGEDY AVERTED BY POLICY

A Flagstone, B.C. woman recently faced what she feared was a financial tragedy. Her husband was killed in an automobile accident and she was apparently left without funds with which to maintain her children. Her husband had insured with The Mutual Life of Canada in 1923 under Policy No. 172,035, but premiums for the past nine years had not been paid.

Investigation by the Mutual Life agent revealed that the policy contained a valuable automatic "non-forfeiture" provision, the effect of which was to continue the insurance in force. There was also provision for double protection in case of the assured's accidental death, so that twice the amount of the policy was payable to the widow, who received a net amount of $3,468., acknowledged as a veritable "Godsend."

If interested in obtaining the maximum amount of insurance protection at minimum cost, you are invited to consult the representatives of this "mutual" company or to write the Head Office direct for information.

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Established — 1906
A Strong Progressive Company
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Certificate Plan B: Issued by the Society affords outstanding protection. It provides an Old Age Benefit, payable in one sum, for the full amount of the Certificate, on the 60th birthday, or, payment in the event of death.
In addition, the Certificate provides a generous Disability Benefit of Ten Dollars a month, for each $1,000 of Protection carried. Payments of such benefit are not a charge against the Certificate when it becomes a claim, either as a result of death or old age.
The Certificate contains the usual automatic non-forfeiture privileges. Double Indemnity may be secured for the payment of a nominal sum.
FRANK E. HAND, Supreme Chief Ranger.
HEAD OFFICE, TEMPLE BUILDING, TORONTO, CAN.

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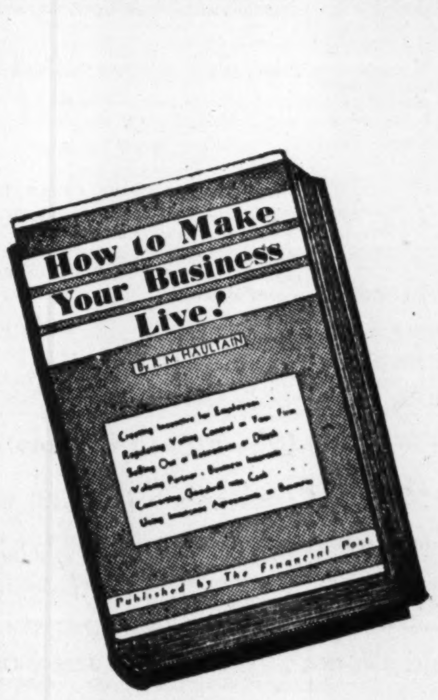

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The Winnipeg Tribune says in its review:
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Bank Chat

Service Charges

Particularly since earning power has been contracted, the Canadian banks have toyed with the matter of service charges. The practice of making unremunerative accounts pay at least a portion of their upkeep has been fairly generally accepted. The main criticism is that thus far the banks have operated on a hit-or-miss system with uniformity sadly lacking.

A suggestion has been made to the Canadian Bankers' Association by A. B. Barker of the Toronto Clearing House that investigation of a system which has been acceptable in the United States would be well repaid. The plan he has in mind would segregate the unprofitable accounts, which would then be assessed carrying charges on a "pay-as-you-go" basis. Each deposit or withdrawal would cost five cents. The charge is made when the deposit is taken, and cheque books containing 20 cheques each are purchased by the customer at $1 each. About 57,000 accounts are said to have been opened on this basis in New York, with everyone satisfied.

Whether or not such a plan would work in Canada is another question. It would probably be much more acceptable if the levy on deposits were deleted. People who are quite willing to pay for service charges incidental to withdrawal of funds may balk at paying the bank for taking the money off their hands.

* * *

Spanish Money

So much news comment, reliable and otherwise, has emanated from Spain in recent months, that it is surprising the matter of foreign exchange has been almost entirely overlooked. The currency quotations have a very interesting story to tell. An article appearing in the most recent issue of The Canadian Banker claims that they form the barometer of the whole situation.

Back in 1935, before the elections, the exchange value of the peseta was quoted at 42½% of its gold value—7.165 to the Canadian dollar. Since then, the remarkable development has not been the enormous depreciation. That was to be expected. Rather it is the variations between the two governments. Loyalist currency has depreciated some 80% from its former value and is now quoted about 9% of its gold parity. That of the Franco Government is worth exactly twice as much.

* * *

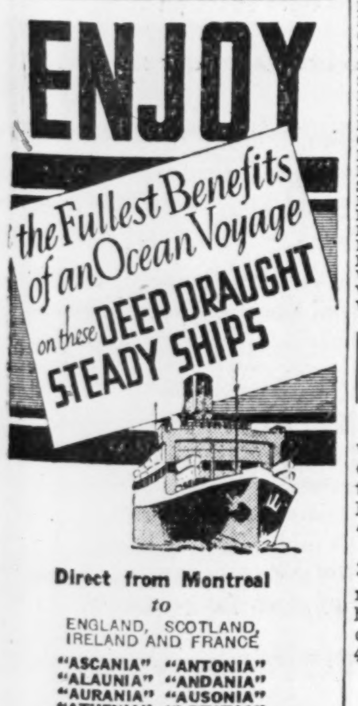
War Odds

It does not necessarily follow that odds of two to one are being quoted by financiers, although it may indicate the belief that Franco will be the ultimate victor. The article points out that other considerations enter the picture, from which it can be inferred that Franco, holding most of the Spanish raw materials, is in a better position to protect the national currency. "Some economists," it is suggested, "will probably see there, not without some appearance of reason, a vindication of the theories according to which note circulation may rest on the national wealth as well as on gold." The Spanish gold reserve is almost entirely in Madrid.

* * *

Careful Coiners

The department of finance is taking no chances on counterfeiting of the new coins announced last week. No copies of the new designs will be available until the coins themselves have made their appearance. The explanation is that new coins provide a field day for the nimble fingered gentry. Detection of counterfeits is sometimes difficult even under the most favorable circumstances. But when new coins are introduced, people are for a time unfamiliar with the design and are liable to overlook flaws which would be obvious later on.



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10% Income Used to Repay Small Loans

Borrowers' Position Set Out in Central Finance Report

BUSINESS UP 50%

It takes 10% of the monthly income of a borrower from a small loan company to repay the loan, if experience of the Central Finance Corp., which does the largest volume of business in this field, is representative.

Average loan made in 1936 was $169. Average monthly income of the borrower was $141. Thus monthly repayment of the loan required $14.08 of the borrower's income.

Despite entrance of the Canadian Bank of Commerce into the small loan field, and the return of better times, business of Central Finance advanced very substantially last year, the amount loaned being about $6.3 millions, compared with $4.2 millions in the previous year. Profits in 1936 represented 8.90% on employed assets, as against 9.06% in 1935.

Key figures on operating results during the year are as follows:

Operating Results

	1936	1935
Aver. open accts. ....No.	22,727	15,937
Aver. unpaid balance ..$	116	118
Income from oper. .....$	690,107	480,253
Income per open acct. .$	30	30
Oper. exp. before int. ..$	441,677	315,448
Oper. exp. per open acct. $	19	20
Net fr. op. (before int.) $	248,431	164,805
Net per open acct. .....$	11	10

As in the case of the Bank of Commerce, an analysis of whose small loan business was made in a recent issue of The Financial Post, most of Central Finance money goes to wage-earners. Skilled and semi-skilled laborers make up the largest single class borrowers, accounting for almost 40% of the 37,071 loans made in 1936. White-collar workers were next in line, about 22%, with remaining borrowers engaged in a variety of occupations. Specific figures follow:

Type of Borrower:	Per Cent
Unskilled laborers	5.55
Skilled & semi-skilled laborers	39.42
Sales persons	6.21
Office, clerical & other non-manual workers	21.96
Mgrs., supts. and foremen	10.12
Owners—managers	9.58
School-teachers	1.15
Professional persons	2.22
Unemployed recipients of independent incomes	3.27
Not reported	.52
Total	100.00

More than 18% of the borrowers used the loan to meet medical and dental expenses. Over 4,000 others borrowed to consolidate overdue bills. It is of interest that 83% of loans were sought to pay debts already contracted, or for unusual emergencies. Analysis of the purpose for which the loans are granted indicates the comprehensive nature of the business.

Purpose of Borrowing

	No. of Customers 1936	Per Cent of Total 1936	1935
Medical, dental & hosp.	6,742	18.19	18.59
To consol. overdue bills	4,065	10.97	8.96
Taxes	2,320	6.26	7.36
Fuel	2,854	7.70	6.37
Real est. mtges. & int.	2,196	5.92	7.27
Clothing	3,024	8.16	7.68
Insurance	789	2.13	2.60
Rent	1,801	4.86	4.17
Repairs	1,716	4.63	4.65
Furnishings (home)	2,011	5.42	4.42
Automobile expense	1,662	4.48	3.93
Moving expense	753	2.03	2.06
Food bills	638	1.72	1.24
Funeral expenses	265	0.71	0.68
Business needs	2,306	6.22	6.18
Travel and vacation	1,727	4.66	5.18
Education	224	0.60	0.69
Assist relatives	1,594	4.30	3.24
Miscellaneous	178	.48	2.14
Purpose not specified	208	.56	1.15
Totals	37,071	100.00	100.00

Weekly Bank Clearings

	Apr. 22 1937 $	Change Year Ago %	Apr. 15 1937 $
Halifax	2,606,205	+17.2	2,201,469
Saint John	1,981,961	— 0.0	1,707,203
Sherbrooke	723,551	+10.1	592,607
Quebec	4,719,714	+16.4	4,341,473
Montreal	117,287,727	+29.7	112,780,314
Ottawa	22,213,822	— 9.3	16,245,548
Kingston	558,464	+ 4.0	477,389
Peterborough	660,689	+12.5	601,677
Toronto	142,944,854	+26.9	127,238,510
Hamilton	6,261,284	+31.4	5,350,529
Kitchener	1,128,331	—27.6	942,789
Brantford	1,113,755	+18.0	869,254
London	3,247,645	+16.3	2,830,545
Chatham	641,414	+35.7	574,283
Windsor	3,230,477	+ 5.0	2,805,054
Sarnia	518,746	+ 6.8	409,198
Sudbury	824,184	+ 2.5	1,003,346
Moncton	734,546	+ 2.7	678,183
Fort William	771,807	+38.0	750,419
Brandon	302,744	+ ...	276,042
Calgary	5,972,757	— 3.1	5,500,304
Regina	3,760,610	— 9.4	3,774,128
Moose Jaw	718,483	+36.0	657,938
Saskatoon	1,470,884	+ 5.2	1,333,936
Prince Albert	348,507	+ 8.0	......
Edmonton	4,215,672	+16.1	4,218,083
Medicine Hat	234,043	—14.3	254,154
Lethbridge	506,414	+ 4.1	......
N. W'minster	651,661	+ 8.1	639,560
Vancouver	19,298,850	+ 3.6	18,336,752
Victoria	1,879,554	+13.1	1,724,089
Winnipeg	61,441,763	+ 7.5	35,331,672

Stabilization Funds Seen As Fixture in Exchange

Exchange stabilization funds are here to stay, according to the Midland Bank.

Following a detailed analysis of the operation of these funds in various countries, the English bank states: "It would be a mistake to regard all these funds as essentially temporary equipment to cope with a short-lived emergency." The bank admits that operations of stabilization funds are largely experimental, and that some time has been required to bring them to their present pitch of efficiency. However, with practically unlimited resources, the best available technical skill and with the crowning advantage of secrecy in their day to day operations, they have so far succeeded in controlling exchange rates that exchange speculation has practically been eliminated.

Going on to discuss the future scope of the exchange funds, the bank states:

Capital Movements

"The funds are called upon to cope with strong capital movements out of one currency into another, these being actuated sometimes by the search for security and sometimes by the prospect of higher interest yields or capital profits. The great volume and incalculability of these movements, and the likelihood that they will long continue on a scale much larger than in former gold standard days, make it probable that exchange funds will become a more or less permanent part of the equipment for monetary management. This seems true at least in respect of the world's principal currencies.

"It has become evident also that the operations of exchange funds have important results in the realm of domestic monetary conditions.

"The procedures for stabilizing exchange relations and at the same time regulating domestic money market conditions have to be closely co-ordinated; hence the great advantage to be derived from operation of the funds by the respective central banks, acting, both as regards internal and external monetary affairs, under the single general authority of their individual governments.

Need for Collaboration

"Finally, no one can fail to see the necessity, if the funds are to achieve the best results, of collaboration between the authorities controlling the principal currency units. Mutual exchange of information and views, under conditions of utmost confidence, is the only safeguard against deadlock or further upheaval in currency relations.

"The original statement of general co-operative principles — the avoidance of competitive depreciation and so forth — has been followed by the establishment of special technical facilities, under which each of the principal funds can at once convert into gold the foreign currencies acquired in the course of its operations. Thus they can almost entirely avoid the risk of loss on possible exchange fluctuations. The American, British, French, Swiss and Dutch funds are all thus assisted, and the arrangement illustrates not only the necessity of collaboration, but the practicability thereof when a universal interest is involved."

Bank Debits Rise In First Quarter

Gains General Except in Prairie Provinces

Bank debits in the first three months of 1937 amounted to $9,150 millions, more than $750 millions, or 9.5%, over the total for the first quarter of last year.

Twenty-eight of the 32 reporting clearing houses reported a higher total this year, the four exceptions being located in the Prairie Provinces. Greatest percentage gain was recorded in the Maritimes, where the increase was 35%. Paced by a sharp advance in Montreal, Quebec debits were up 21.5%. All 13 Ontario clearing houses contributed to an advance in that province of 15.5%. British Columbia's total was more than 8% higher. Despite increases in six of the reporting centres, the Prairies figure dipped to less than 60% of last year's level.

Bank of Canada Weekly Statement

Deposits with the Bank of Canada varied widely in the week ended April 21, those of the Dominion Government dropping $10.3 millions, while chartered bank balances increased $9.2 millions to $197.5 millions. Other substantial changes included increases of $2.1 millions in note circulation and $2.2 millions in reserves in sterling and New York.

Balance Sheet

	Apr. 21 1937 $	Apr. 14 1937 $
Liabilities		
Capital paid-up	10,100,000	10,100,000
Notes in circ.	129,992,622	127,882,250
Rest fund	743,716	743,716
Dep.: Dominion	24,748,616	35,045,724
Banks	197,529,620	188,332,840
Other	1,120,228	1,268,405
Total deposits	223,398,464	224,646,969
All other liabs.	1,816,440	1,168,260
Total liabs.	366,051,242	364,541,195
Assets		
Reserve: Gold	191,207,024	191,307,816
Silver bullion	2,374,666	2,430,171
Res. in sterling and U. S.	16,790,304	14,536,089
Total reserve	210,371,994	208,274,076
Subsidiary coin	244,887	218,148
Investments:		
Dom. govt. short.	50,249,372	50,813,225
Other Dom. govt.	101,423,794	102,125,554
Total invest.	151,673,166	152,938,779
Premises	445,243	442,541
All other assets	3,315,952	2,667,651
Total assets	366,051,242	364,541,195
Reserve ratio	59.52%	59.07%

Staff Changes

The Dominion Bank has announced the following changes in staff:

W. S. GRAY, formerly manager at Market branch, Toronto, has retired on pension.

W. W. DUNCAN, formerly manager at Kenora, Ont., to be manager at Market branch, Toronto.

L. S. NICHOLSON, formerly manager at Union Stock Yards, St. Boniface, Man., to be manager at Kenora.

J. G. FOGGO, to be manager at Union Stock Yards, St. Boniface.

E. STANGROOM, formerly accountant at Ottawa, to be manager at Monkland, Montreal.

Rail Case Lost By Maritimes

Supreme Court Sees No Prejudice to Preferential Freights

In losing their fight over potato freight rates the Maritime Provinces and several interested boards of trade and shipping associations have, it is believed, lost a test case affecting a large number of other commodities on which a special preferential freight rate was guaranteed. Under the Maritime Freight Rates Act approved by Parliament in 1927, certain movements of freight originating in the Maritime Provinces are given a 20% rate reduction while travelling over lines in the eastern railroad division. Section 8 of this act empowers the Railway Board to disallow any tariff which might prejudice that advantage.

No Prejudice

The Maritime brief to the Supreme Court of Canada declared that a reduction in local freight rates on potatoes in Ontario and Quebec did prejudice the preference granted in Section 8 although these local reductions applied outside the select territory, i.e. lines of the eastern railroad division.

In deciding previously against the Maritimes the Board of Railway Commissioners claimed that only a small quantity of potatoes moved from Ontario points to Toronto under the rate cut as compared with the volume of shipments from the Maritimes to Toronto.

Freight rates in Central Canada on practically any commodity which might be produced in quantity in the Maritime Provinces would be affected had the Supreme Court not upheld the Board of Railway Commissioners' decision. It would have meant that on such commodities producers in Ontario and Quebec could not secure a cut in freight rates without an equal cut on the low rate from the Maritime Provinces.

Algoma Central Railway Reduces Its Deficit

While railway and steamship receipts increased by $140,000 in 1936, the Algoma Central and Hudson Bay Railway Co. reports a deficit of $621,210, a reduction of only $7,126 from the previous year. Deficit includes accrued but unpaid interest and rental.

Operating and other expenses showed a greater increase than did revenue and as a result, net earnings declined from $163,877 in 1935 to $135,075 in 1936.

Gross railway receipts increased 7.3% during the year. Revenue from passenger train service increased 19%.

To meet the needs of mine operators in the Michipicoten area the railway has formed a subsidiary company, the Algoma Central Telephone Co., to provide telephone communication to points on its line and with connecting telephone companies. E. B. Barber, president, states that with the growth of population in the mining areas this facility will have to expand and should be of value in increasing revenues.

Accrued and unpaid interest on Algoma Central Terminals Ltd. bonds amounts to $1,004,784 and on railway bonds to $3,092,550.

Current assets total $1,321,094. Current liabilities, exclusive of accrued bond interest, are shown at $1,047,166.

Profit and Loss Account
Years Ended Dec. 31

	1936 $	1935 $
Gross railway receipts	1,257,892	1,172,345
Gross steamship re'cpts	471,530	416,606
Operating revenue	1,729,422	1,588,951
Less: Rly. work. exps.	1,096,672	976,654
Steamship wk. exps.	407,699	354,831
Gen. man. exp.	77,299	76,953
Taxes	41,508	41,187
Operating profit	106,244	139,326
Rdd: Rent. leased lands	24,750	24,750
Int. on invest., deps., etc.	11,441	12,163
Less: Int. on equip. notes	7,360	9,280
Int. on steam. notes	......	3,082
Net earnings	135,075	163,877
Less: Depr., pr. yr.	29,542	81,552
5% 1st mtge. inc. deb. stk., int. accrued	515,425	515,425
Res. for term. prop. for 1932-33	22,844	......
Int. accr. on unpaid rental	38,694	31,204
Accr. rental of A. C. Term.	149,781	149,781
Loss for year	621,211	614,085
Add: Prev. deficit	3,254,809	2,640,724
Deficit car. forward	3,876,020	3,254,809

Foreign Exchange

Trends of major currencies were for the most part unchanged last week. Sterling continued to strengthen, buoyed to some extent by seasonal commercial demand and by demand arising from the Coronation. To these was added last week substantial buying of sterling in New York. French francs slipped further during the week, as was not unexpected, to 4.43 cents.

Announcement from Ottawa that the German mark will be taken at 32 cents in Canadian funds, in accordance with the requirements of the recently-adopted Canada-Germany trade agreement, is not expected to have any effect on the exchange market. This rate is for customs valuation only, and it is likely that free marks will continue to be quoted at about 40 cents.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

Par	Apr. 19	Apr. 20	Apr. 21	Apr. 22	Apr. 23	Apr. 24
U. S. Dollar, High	.99 13/16	.99⅞	.99⅞	.99 13/16	.99 13/16	.99 13/16
Low	.99⅞	.99 13/16	.99 11/16	.99¾	.99 11/16	.99 11/16
1936 High	1.00⅝	1.00 11/16	1.00 11/16	1.00 9/16	1.00½	1.00½
Low	1.00 11/16	1.00½	1.00⅜	1.00½	1.00 11/16	1.00 11/16
U. K. pound	4.91⅞	4.91⅜	4.92⅝	4.92⅞	4.92¼	4.92½
Australia	3.93⅝	3.93¼	3.94¼	3.94½	3.94	3.94¼
Austria	.1871¼	.1870⅝	.1869½	.1874½	.1874½	.1875⅝
Belgium	.1685½	.1683⅞	.1685⅞	.1685½	.1685⅞	.1687⅞
Brazil	.0633	.0634	.0635	.0637	.0635	.0632
Czechoslovakia	.0348⅝	.0348½	.0348⅜	.0348¼	.0348¼	.0348½
Denmark	.2197	.2195¼	.2199⅞	.2202⅞	.2199⅝	.2199¼
France	.0447	.0444⅞	.0443½	.0443	.0443	.0443¼
Germany	.4018¼	.4017	.4014½	.4014⅛	.4014	.4016½
Greece	.0090	.0090	.0090	.0090	.0090	.0090
Holland	.5470⅞	.5469¼	.5465¾	.5465¾	.5465¾	.5469¼
Hungary	.1973⅛	.1972½	.1971¼	.1972¼	.1972¼	.1973½
India	.3171½	.3716⅝	.3718	.3731	.3725	.3721⅜
Italy	.0525¾	.0525½	.0525¼	.0525¼	.0525¼	.0525½
Japan	.2866⅜	.2866⅜	.2865⅝	.2874⅝	.2873⅝	.2871½
Jugoslavia	.0233½	.0233¾	.0233½	.0233	.0233	.0233½
New Zealand	3.96⅝	3.96¼	3.97¼	3.97½	3.97	3.97¼
Norway	.2472⅝	.2471	.2476⅜	.2479⅜	.2475⅞	.2475½
Poland	.1896	.1896	.1897	.1893	.1893	....
South Africa	4.90⅞	4.90⅜	4.91⅝	4.91⅞	4.91¼	4.91½
Sweden	.2537⅝	.2534⅞	.2519¼	.2542¼	.2538¾	.2538⅜
Switzerland	.2382⅞	.2281¼	.2282	.2284¾	.2285	.2284⅝
Hong Kong	.3057⅛	.3058¼	.3057⅛	.3061⅛	.3061⅛	.3061¼

Frontenac Oil Earnings Up

May Cut Dividend; John Irwin Outlines Trinidad Oil Enterprise

From Our Own Correspondent

MONTREAL.—Earnings for the first two months of 1937 were better than they were for the same two months last year, John Irwin, president of Mc-Coll-Frontenac Oil Co., told shareholders at the annual meeting. He also intimated the possibility of a reduction in the dividend rate. Dividends were paid on the common stock at the rate of 80 cents a share, and in order to provide for payments in 1936 it was necessary to draw upon reserves to the extent of $229,378.

The president's remarks were devoted largely to a report on the company's Trinidad operations where properties are being worked through a wholly owned subsidiary. Approximately $900,500, he reported, had been invested in this subsidiary in addition to advances approximating $410,000. The properties were now producing at the rate of 40,000 barrels a day.

The company had drilled 18 wells at depths varying from 1,350 feet to 5,755 feet and two were now in process of drilling, he reported. All but two of the 18 wells had proved to be producers.

"So far we have not brought any of this oil to the Montreal refinery, because of its heavy gravity," Mr. Irwin explained, "but have been selling it on the open market. Oil of a lighter gravity, and such that could be brought to Montreal for refining purposes, is being currently produced by other producing companies in Trinidad; in fact we have purchased some oil from Trinidad in the past for refining purposes."

Public Utility Earnings

Winnipeg Electric

March:	1937 $	1936 $
Gross earnings	596,025	584,567
Oper. exps. & taxes	337,721	330,536
Net earnings	258,304	254,031
Bond int. & deprec.	200,179	198,902
Net income	58,125	55,129
3 Mos. End. March 31:		
Gross earnings	1,820,832	1,788,581
Oper. exps. & taxes	1,010,912	993,508
Net earnings	869,920	795,073
Bond int. & deprec.	601,963	594,097
Net income	207,957	200,976

Note — Before providing for interest on Series "B" bonds or redemption of contingent certificates.

Twin City Rapid Transit

3 Mos. Ended Mar. 31:	1937 $	1936 $
Oper. revenue	2,540,134	2,599,734
Oper. expenses	1,737,345	1,766,651
Net oper. rev.	802,788	833,083
Taxes assignable	287,319	235,113
Oper. income	515,469	597,970
Non-oper. inc.	7,704	11,345
Gross income	523,173	609,315
Interest	245,088	278,463
Amortization	16,595	16,800
Misce. debits	3,203	2,594
Total deduct.	264,886	297,857
Net income*	258,287	311,458

*Before provision for surtax on undistributed profits.

New Goldfields Branch

The Bank of Montreal recently opened a branch office at Goldfields, Sask., under the management of R. J. Cook.

Woodsmen Get Wage Increase

From Our Own Correspondent

MONTREAL. — Pulp and paper and lumber operators in New Brunswick are confronted with increased costs this year as a result of an order issued by the New Brunswick Forest Operation Commission increasing the average rate of wages to be paid for cutting, peeling, yarding and hauling. The average rate is increased from $31 a month to $40 a month, with a minimum of $34 a month in place of $27. The new order, which becomes effective May 1, also establishes an average of $40 a month for piece work and a minimum of $34. The scale of wages established by the order shows an increase of nearly 30% in the average and 26% in the minimum.

Brazilian Net Rises Sharply

Increase of $646,390 Recorded in First Quarter

Brazilian Traction, Light & Power Co. continues to report marked improvement in operations, net earnings for the first quarter of the year amounting to $4,614,919. This is an increase of $646,390 or 16.29% over the corresponding period of 1936.

Two factors have contributed to the improvement in the company's earnings, namely, increased demand for the services provided by the company and its subsidiaries and improvement in the exchange valuation of the Brazilian milreis.

Comparison of exchange rates at the present time and in April, 1936, would indicate that a substantial portion of the improvement has been due to the latter factor. The Brazilian milreis is currently quoted at 6.18 cents compared with 5.66 cents on April 27, 1936. The company, however, because of remittance difficulties, adopts for each month an arbitrary rate of exchange which is less than the official rate.

If the improvement reported in the first three months continues throughout the remainder of the year, then earnings in 1937 will be considerably greater than in 1936. It is possible, however, that the percentage increase will be smaller in the remaining months of the year. In the first three months of 1936, net earnings declined when compared with the corresponding period of 1935, while in the last nine months a sharp increase was recorded. Furthermore, operating expenses during the first quarter of 1937 have shown a greater percentage increase than in the latter part of 1936.

Comparative figures for the month and the first quarter are shown below:

	1937 $	1936 $	Incr. %
March			
Gr. earn.	2,942,913	2,514,418	428,495
Oper. exps. 4	1,387,251	1,164,182	223,069
Net earn.	1,555,662	1,350,236	205,426
Three Months Ended Mar. 31:			
Gr. earn.	8,654,342	7,406,617	1,247,725
Oper. exps.	4,039,423	3,438,088	601,335
Net earn.	4,614,919	3,968,529	646,390

Electrolux Share Profit Higher in First Quarter

From Our Own Correspondent

MONTREAL. — Electrolux Corp. reports consolidated net profit for the three months ended Mar. 31, 1937, of $768,369, after all charges and after deducting federal income tax and making provision for estimating surtax on undistributed profits.

Per share earnings for the quarter amounted to 62 cents, as against 58 cents a share for the corresponding period last year.

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Week in Mining

Oshawa Plan May Avert Costly Northern Strike

Mine Operators Feel Trouble Unlikely — Crux of Problem Lies in Union Recognition — No Overtures Yet

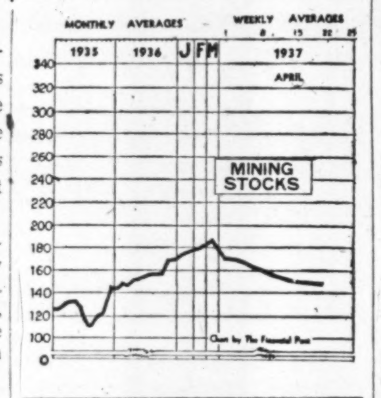
Two fears continue to dominate the mining market; fears as to the price of gold, and fears of a labor war in the north. The first question has been discussed fully in previous issues, and the position remains unchanged, with the U.S. administration still denying any contemplated change in the gold picture.

The second question is not so static. On the contrary, it appears to be moving rapidly toward a crucial point.

Whether or not the mining employee could win such a strike is largely beside the point. It has been shown over and over again that nobody wins a strike. Both sides lose in the long run. In the northern centres, most of which are dependent directly on the mining industry, the loss would spread to innocent bystanders—merchants, railroads and businessmen. Investors, thousands of miles away would suffer.

If, as several have threatened, mine owners stage a lock-out, and close down their plants, rather than negotiate, results would be equally disastrous.

The general public then is not so much concerned as to who would win, as they are with the primary question: Will there be a stoppage of production?



The Miner's Lot

Without exception, mining operators who have spoken about this matter to The Financial Post have expressed the opinion that there will be no trouble. They base this opinion on certain broad pertinent facts.

Miners, as a group have fared better in the past five years than any other group of Canadian workers. They have never had a cut in salary, and their average wages today are somewhere about 10% higher than they were in 1929.

They have year round employment.

Mining companies are in a stronger position than most industries to withstand a strike, one reason being that their market is not competitive, and they are not losing sales contacts during any enforced period of idleness. Mining employees know this, and would therefore hesitate before attempting to force the issue with the men who employ them.

Profits and Prosperity

Mining companies are not making exorbitant profits. The price they are getting for their product is not the result of a combine, or any questionable trade practices, but was brought about by economic forces beyond the control of the gold producer. In any event, the highest profits made under $35 gold were made as far back as 1934. Rising costs, and parity between the Canadian and U.S. dollar, have steadily adian and U.S. dollar, have tended to reduce the margin of profit maintaining in 1934.

As far as Ontario, major mining province is concerned, there have been three mining strikes in the past, all of which ended when the men returned to work without gaining any of their demands. The mines are in better shape to achieve similar results now than they were at the time of the former trouble.

Finally, of course, it is apparent that the mine owners would have the vigorous support of the Provincial Government, in Ontario at least. Public opinion is a difficult thing to gauge, but it is doubtful if, knowing the wages received, the general public would have much

C.I.O. Discount Strike

Thus does the mine owner sum up the situation. He sincerely believes that his employees are, and have been, in a better position than most, and can see no logical reason why there should be any clash.

In addition, C.I.O. organizers have publicly stated that they are not planning any strike.

W. R. Armstrong, president of the Timmins local of the Mine, Mill and Smelters' Union (a C.I.O. affiliate), said recently: "The mines have treated us union men well. We have no complaint there."

No mines have been approached by the union yet, it is understood, but when they are, negotiations will centre around union recognition.

Therein lies the possibility of trouble—the crux to the whole matter.

Lesson of Oshawa

While the two industries are different in many respects, some lessons can be learned from the recent strike of General Motors employees in Oshawa.

Whether or not trouble will arise, appears, as can be seen, to hang on whether or not the mine owners will parley with the C.I.O. union or its representatives. A formula for getting around this point was devised at Oshawa.

In believing that everything is rosy in their own garden, and that therefore there will be no trouble, mine owners may, conceivably, be mistaken.

It is to be hoped that before either a walk-out or a lock-out, both disastrous, is effected, both mine owners and the men whose jobs would be risked, take advantage of the lesson learned at Oshawa.

Mining Stock Prices

Price behaviour in the mining section closing resembled that of industrials and utilities during the past week, with the last stages of recession being rather more severe and subsequent recovery likewise more pronounced. The decline which has proceeded intermittently since early in February was halted after a heavy selling wave on April 19 and 20. A sharp one-day advance followed, based upon a more moderate volume of trading, and this wiped out the greater part of losses registered earlier in the week. Gold averages are now at the lowest level reached since Dec., 1935, while base metals are upon a par with averages for last October. The Dominion Bureau of Statistics' general mining stock price index declined from 157.8 for the week ended April 15 to 148.3 for the week of April 22, with golds falling from 122.6 to 115.3 and base metals from 303.5 to 284.0.

East Malartic Mines Reports Progress Work

From Our Own Correspondent

MONTREAL.—Development work on the property of East Malartic Mines during the last two weeks of March was confined to drifting and crosscutting No. 2 shaft and diamond drilling on surface and underground, according to a report issued by J. P. Norrie, general manager. Diamond drilling in No. 2 shaft, he says, indicated many new ore sections both east and west of present workings. Near the west boundary of the property, drilling has indicated an ore body 40 ft. wide and 200 ft. long, with an average grade of $10.50.

"In No. 2 shaft 810 lineal ft. of ore has been exposed on the 175 and 350-ft. levels. Average width of the ore is 10 ft., with average grade without coarse gold, $9 a ton. This ore occurs in lenses from 100 to 250 ft. long. If the same volume of ore exists on all horizons down to the 325-ft. level, then 200,000 tons is now indicated. However, due to the lenticular occurrence, we are figuring on 100,000 tons as indicated to date."

Matachewan Tonnage Higher For Quarter

Higher tonnage treated resulted in total profit of Matachewan Consolidated Mines in the quarter ended March 31, 1937, as compared with the similar quarter last year.

Quarterly Earnings
Three Months Ended March 31

	1937 $	1936 $
Net inc. from production	149,748	98,261
Less: Develop. & oper. exps.	129,371	80,803
Oper. profit	20,377	17,458
Add: Non-oper. profit	125	35
Est. total profit*	20,502	17,493
Tons of ore milled	26,529	13,380
Net income per ton	$5.64	$7.34

*Before allowance for taxes, depreciation and deferred development.

Shareholders Approve Thompson Cadillac Plan

From Our Own Correspondent

MONTREAL. — Shareholders of Thompson Cadillac Mines have ratified the by-law increasing the capital from 3 million to 3.3 million shares and issuing rights to shareholders to purchase one additional share for each 10 shares now held. No decision has yet been reached upon the price at which the new stock will be offered.

In discussing the by-law, Andrew Walz told the shareholders that with $200,000 of new funds, the company would have sufficient money to increase the mill to 200 tons daily, this costing approximately $75,000, while $85,000 will be spent on speeding up development and the balance will serve as additional working capital.

Red Crest Gold Mines Sells Optioned Shares

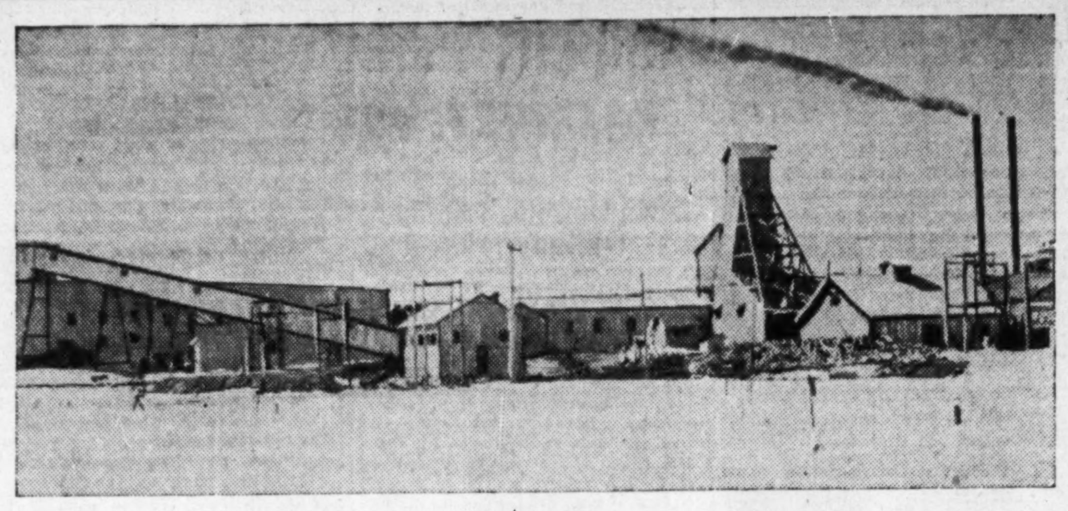
From Our Own Correspondent

MONTREAL. — Red Crest Gold Mines has disposed of 20,000 shares at 25 cents a share under the terms of the option agreement. This leaves 920,000 shares under option, including 420,000 shares at 35 cents a share and 500,000 shares at 50 cents a share.

Preston East Dome Sells Block of Stock

From Our Own Correspondent

MONTREAL.—Preston East Gold Mines report that 214,500 shares have been taken up under the terms of the option agreement at 50 cents a share. The only stock now under option is a block of 50,000 shares at $1.75 a share.



GROOMED FOR PRODUCTION

The new 100-ton mill at the property of Bankfield Consolidated Mines, in the Little Long Lac field of Ontario is scheduled to start production in May. Grade is expected to run approximately $22 per ton, and ore reserves above the 525-ft. level were estimated recently at 65,144 tons. The company was formed last August to take over the assets and liabilities of Bankfield Gold Mines, shareholders in the latter receiving two new shares for each three old shares held. The stock is listed on the Toronto Stock Exchange.

Mines Output Near Record B. C. Reports

Base Metals Likely to Boost Total in 1937

$5 MILLION RISE

From Our Own Correspondent

VANCOUVER. — British Columbia's mines continued last year their climb back to the high production levels of a decade ago, and this year give promise of coming within a narrow margin of the all-time peak.

Complete figures on value of mine production, just released, indicate the industry's revenue last year as being more than $54 millions, a gain of more than $5 millions over the previous year and of nearly $12 millions over 1934. Record production for the province, in values, was established in 1926, with a total of $67 millions.

Major contributor to the increased totals this year will be the spectacular increase in base metal prices. This will not only hoist the value of all the copper, lead, and zinc which form already an important item in the province's mining industry, but has already provided a strong stimulus to increased output.

Lead alone accounted for nearly $15 millions, of B. C.'s mine total last year, and zinc accounted for nearly $8.5 millions. Value of lead production has doubled in B. C. in the last four years, and only in the boom period was the figure exceeded, the record of $18,670,000 being established in 1925.

Copper Output Down

Copper production dropped nearly 10 million tons last year owing to the closing of the Anyox smelter, but speeding-up of production by Britannia Mining & Smelting Co. on Howe Sound and the restoration of the Allenby plant of Granby Consolidated Mining & Smelting Co. at Copper Mountain, are expected to pull the copper total higher this year.

With the Bridge River field again dominating the show, lode gold production hit another new high in 1936, with a value of $14,168,654, an increase of nearly $4 millions in two years. Placer gold output was also higher.

The province's mines have so far contributed more than one billion dollars to the industrial total in production alone. Copper leads the parade with a value through the years aggregating $286 millions; lead, $215 millions; lode gold, $193 millions; zinc, $127 millions; silver, $123 millions; placer gold, $82 millions, of which about $50 millions was produced before 1881.

Coniaurum Profits Cut By Development Costs

Higher development costs, comprised chiefly of shaft sinking expenses, reduced quarterly total profit of Coniaurum Mines in the quarter ended March 31, 1937. Following is a comparative table showing earnings for the first quarter of 1936 and 1937:

Quarterly Earnings
Three Months Ended March 31

	1937 $	1936 $
Net inc. from production	336,032	348,234
Less: Dev. & oper. exps.†	308,766	278,252
Est. oper. profit	27,266	69,982
Add: Non-oper. profit	17,632	7,110
Est. total profit*	44,898	77,092
Tons of ore milled	39,720	41,485
Net inc. per ton	$8.46	$8.39

†Development costs for the first quarter of 1937 include approximately $42,000 for shaft sinking, etc., as compared with no charge in 1936.

*Before taxes, depreciation and deferred development.

Beattie Mines Reports Increase in Profits

Estimated total profit of Beattie Gold Mines, before taxes, depreciation and deferred development for the first quarter of the year amounted to $218,412, as against $173,533 in the first quarter of 1936.

Quarterly Earnings

	3 Mos. end. Mar. 31 1937 $	1936 $
Net inc. from prod.	524,010	474,991
Less: Develop., oper. & current exps.	305,883	301,586
Est. oper. profit	218,127	173,405
Add: Non-oper. rev.	285	128
Est. total profit*	218,412	173,533
Tons of ore milled	143,480	133,120
Net income per ton	$3.65	$3.56

*Before taxes, depreciation and deferred development.

Perron Gold Mines Operating at Capacity

MONTREAL.—Perron Gold Mines mill operated at 97.75% of possible running time during the first half of April, when an average daily tonnage of 331.6 tons was reported. Bullion production for the period was $35,027.

Centrecoeur Gold—reports from its Louvicourt twp. property in northwestern Quebec that cores from diamond drill hole No. 6 gave assays as high as $46, with an average of $31 across 5½ to 6 ft. Further core material is still to be assayed.

Hedley Report Due on May 3

From Our Own Correspondent

VANCOUVER. — Investigation of Hedley Amalgamated Gold Mines will be completed by May 3, according to G. L. Fraser, who says that by that time he will be ready to make his final report to the Provincial Government.

Meantime a crew under R. H. Stewart is working at the mine, checking up on No. 3 diamond drill hole, from which ore samples of phenomenally high value were reported both by the company and M. S. Hadley, Government engineer. Salting of these cores was suspected.

Mr. Fraser says that in his final report he will review the whole situation affecting the Hedley Amalgamated scandal and make recommendations concerning stock brokerage practices in Vancouver.

New Company Is Formed For Quebec Properties

A new company, Caledonia-Cadillac Gold Mines, has been incorporated with a Quebec charter and authorized capitalization of three million shares common, par value $1. Issued for properties and development are 1,200,000 shares pooled; under option one million shares, of which the first 200,000 are being offered at 20 cents.

Properties are located in the extreme easterly section of Bousquet Township, exactly northwest and southwest of the Thompson Cadillac, within ¾ of a mile of O'Brien. The holdings comprise two groups of claims which consist of the north group of seven claims and the second group, a block of 15 claims located two miles south of the Cadillac-Rouyn highway.

The officers and directors are as follows: Pres., Dr. James J. McCann, M.P., Renfrew, Ont.; vice-pres., George P. MacKenzie, Ottawa; treas., George F. Hodgins, Ottawa; director, Ernest W. Sayer, Montreal; secretary, Louis M. Dorsey, Montreal.

Cariboo Gold Ore Valuation Is Increased

Report States New Body Located in Rainbow Zone

COSTS DOWN

From Our Own Correspondent

VANCOUVER.—Ore reserves at Cariboo Gold Quartz Mine are given a valuation of more than $3 millions by Managing Director R. R. Rose.

This figure is calculated on the $35 per ounce gold price and based on 209,636 tons of ore with an average gold content of .416 ounces to the ton. The net increase in reserves compared with the corresponding date last year was 57,672 tons. Added to the 53,672 tons mined, this gives 110,720 tons as the total ore developed during the last 12 months.

Mr. Rose's annual report shows that the mine and mill were in operation only 40 weeks last year owing to the shutdown caused by the burning of the power house.

Rich Ore Found

Reference is made to the rich ore found in developments in the Rainbow Fault zone on the 1,600 and 1,700-foot levels. On the former, stoping will soon begin on an ore body showing an average width of about 12 feet over a length of 190 feet, the gold averaging .65 ounces to the ton. On the 1,700-foot level, what is apparently a downward extension of the rich ore on the 1,600-foot level is being developed.

The ore in those areas, according to Mr. Rose, is the most promising found in the mine to date, and the tonnage so far obtained from its development has already had a beneficial effect on the gold production from the mine.

The mill is now operating steadily on a 225-ton basis. In 40 weeks' operation, earnings after write-offs of $105,000 were equal to 15.4 cents per share, against dividend requirements of 10 cents. Costs per ounce of gold produced were reduced to $20.53 against $22.89 for 1935.

News Concentrates

Alkenore Buffalo — According to John Harris, consultant for this property near Sioux Lookout, drill assays of $11.70 from core of No. 14 hole were obtained between depths of 406.6 and 414 ft. As this hole stopped in ore, the drill will be reset after hole No. 15 is completed and drilling continued to make sure that fracturing along the granite contact will be passed through.

• • •

Big Long Lac Gold — says in its annual report for 1936 that development work done on the original claims in the Long Lac area during the year failed to disclose commercial ore bodies, and work has been discontinued. The company has acquired an interest in other mining claims in the Port Arthur division and it is expected that these will be further investigated during the spring and early summer of this year. It is recommended that the company conserve its treasury and carry out a conservative policy of prospecting and exploration work.

• • •

Bilmac Gold Mines—is advised by E. W. Asseltine, mine manager, that the Saville vein on the 410 level, development of which is continuing, is well sheared and persistent, and at present has a dip of approximately 70 degrees, a more vertical position to that on the 170 level.

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Boyd Kirkland Gold Mines — has begun diamond drilling on its property of 520 acres in Lebel twp., Kirkland Lake. Second hole has been started. The first struck bad ground and had to be discontinued before reaching its objective. Surface exploration is reported to have disclosed a wide zone, and to have obtained values as high as $17.60 from the Thompson vein, which has been test-pitted for 1,000 ft.

• • •

Bruell Gold Mines (1936)—holding 19 claims on Bell River, Vauquelin twp. of Quebec, will carry out additional diamond drilling to 500 ft. to block out ore at that depth on a zone 20 to 30 ft. wide which was recently encountered. This zone brings to 14 the veins so far encountered on the property. Test pit will be sunk to a depth of 20 ft. on this vein. To date approximately $70,000 has been spent on the property.

• • •

Candalaca Gold—drilling north to south in an attempt to obtain a cross-section of geological conditions on its Cadillac twp. property adjoining O'Brien Gold, reports some encouraging indications from the work. Drilling has revealed a conglomerate band unknown previously which may, it is thought, prove a favorable host rock. A late hole secured an intersection of about 5 ft. assaying $2.80, and in it other low values were had. More holes have been spotted to test this occurrence along the strike.

Central Gold Mines—holding 240 acres in Dasserat twp, of Quebec, is said to have acquired an additional group of claims in the Sturgeon River area. Crew has left for the property to carry out surface exploration.

• • •

Kenbrae Gold Mines—capitalized at 3 million shares, has been formed to take over the properties and assets of Kenosha Gold Syndicates and the Kenbrae Syndicates. A total of 1,102,000 shares were issued to unit holders of the syndicate, the exchange being on the basis of 200 shares for each unit.

• • •

Consolidated Lead Mines—advises in a progress report that diamond drilling is progressing to test continuity of the vein which has been traced on surface for 2,000 ft. A shaft on the property has been sunk to 100 ft., with about 30 ft. of sinking toward estabishing a second level. West and east faces show about 25% lead ore over good width, according to Alexander Watson, president. Company is at present concentrating work on the property in North Victoria county, southeastern Ontario. It holds as well a lead prospect of 375 acres in Bedford twp., Frontenac county.

• • •

Crowshore Gold Mines—Holding 7 claims in the Patricia district, adjoining Albany River Gold on the east and also a block of 19 claims, approximately a mile east of the first group, is carrying on a dip needle survey on its Pickle Lake property. Diamond drilling will start immediately snow clears. The company is reported to be amply financed to carry out surface work and diamond drilling on the group adjoining Albany River.

• • •

Denison Nickel Mines — will drive a short crosscut to the ore body located by diamond drilling and proved to a depth of 1,000 ft. after cutting the station at the 200 level. On entering the ore body both faces will be worked simultaneously. The shaft is being sunk 150 ft. north of the surface showings.

• • •

Fernland Gold Mines — Adjoining Omego in Larder Lake area, reports that No. 8 diamond drill hole cut the vein at an average vertical depth of 290 ft. from surface. Howard J. Jewell, managing director, says there was a true width of about 48 ft. of mineralization at the intersection. One section of core returned a true width of 18 ft. assaying $5.36 and another showed a true width of 9 ft. assaying $2.91. Mr. Jewell reports that these two sections are separated by one of 10 ft. of core showing only low value.

Fernland is capitalized at 3,000,000 shares, half of which are issued and 1,150,000 shares pooled.

Security Law For Manitoba Is Tightened

Regulations For Check on Dealers Provided By Amendment

BROKERS' AUDITS

Amendments to the Manitoba Securities Act passed at the recent session of the Legislature follow the lines of regulations in force for some years for dealers in securities in Ontario and Quebec.

Montreal and Toronto Stock Exchanges for some years have followed rules similar to those being imposed for the Winnipeg Stock Exchange following the recent insolvency of Anderson, Green & Co., Winnipeg.

The Manitoba amendments are intended to permit better regulations of the sale of securities and to provide for regular audits of brokers and members of the Winnipeg exchanges.

Pooling Regulations

Changes affecting the offer and sale of securities can be summarized as follows:

1. Before allowing registration of a company or person desiring to sell the securities of a company or syndicate, the Manitoba Public Utility Board can require that a portion of such securities, to cover in whole or in part the value of properties or services received, shall be pooled or placed in escrow.

2. Conditional registration may be allowed by the board. The conditions allowed in such cases may be changed or revoked after hearing the representatives of the parties concerned.

3. Advertising of securities, either in a publication issued in Manitoba or through circulars direct to the potential purchaser, will not be permitted unless the person or company is registered and the advertisement or circular has first had the approval of the board.

Brokers Must Have Audits

Regular audits of brokers' accounts are to be provided under the following circumstances:

1. Every broker who deals in securities will be required to have a yearly audit by an accountant who has practised n Canada for at least the five preceding years.

2. A chartered accountant who has practised in Manitoba for not less than 10 years must be appointed as its auditor by the Winnipeg Stock Exchange. A full report on every broker who is a member of the exchange or affiliated in any way with the exchange must be given to the exchange auditor by the broker's auditor and this report turned over to the governing committee of the exchange.

3. The governing committee of the exchange will have the power to compel any broker to install a suitable bookkeeping system in cases where the system is found inadequate.

4. The exchanges and governing committees are protected against legal action under the provisions of the act but failure of brokers to comply with the reasonable demands of the exchange is an offense.

5. As a requirement for registration under the securities act, each broker must submit an auditor's report for the last preceding year certifying that he has complied with the requirements of the act.

6. The board may at any time appoint an accountant to audit the affairs of any broker or dealer in securities, the expense to be borne by the company or person whose affairs are being investigated.

A final addition to the act gives the board power to order any broker or salesman to desist from trading in any securities mentioned in any order made by tthe board.

Crow's Nest Pass Coal Grants Union Demands

Agreement has been reached between Crow's Nest Pass Coal Co. and the United Mine Workers of America, an affiliate of C.I.O. The agreement grants the miners full union recognition, increases in pay and improvement in working conditions. The pay increases are reported to range from five cents to 70 cents per day, with an average increase of 25 cents a day for an eight-hour shift.

The company operates two collieries near Fernie, B.C., and employs around 1,000 men. The settlement has been reached following a labor dispute lasting for about a month.

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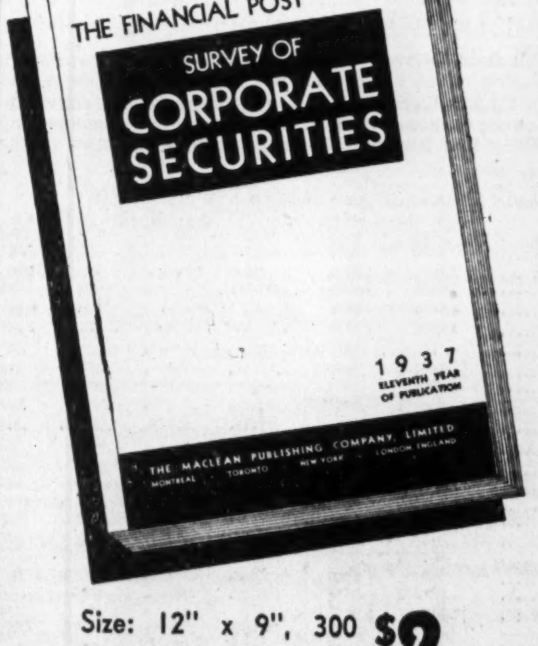

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Toronto Backs Arbitrage Ban

Stock Exchange Members Unanimous in Vote on By-law

SHUN COMPETITION

At a general meeting last week members endorsed unanimously a change in the Toronto Stock Exchange arbitrage by-law. Under the new regulations, arbitrage is forbidden in shares of companies whose principal business is mining or production of oil and natural gas. Exception to this rule are made for International Nickel, Consolidated Smelters, International Petroleum, and such oil shares as Imperial and British American.

In effect, the new by-law continues the former prohibition of arbitrage in mining and oil shares which have their chief market on the Toronto Stock Exchange.

Arbitrage is the operation by which inter-exchange sales and purchases are made to take advantage of differences in price.

Explanation of Rule

An explanation of the by-law by one Exchange authority is that the Toronto Stock Exchange prohibits its members from arbitraging in mining stocks for the same reason that members of the New York Stock Exchange are prohibited from arbitrage dealings with any other stock exchanges in the United States. That is, the Toronto Stock Exchange prohibits arbitrage operations in mining stocks because of the possibility that this would result in loss of business, by creating competing markets elsewhere.

Recently, a large fine was levied on a Toronto member firm for arbitrage operations, it is understood. The money goes into the discipline fund of the stock exchange.

Canadian stock exchanges where the volume of mining business is not as large as in Toronto, are understood to favor arbitrage operations with the Toronto Stock Exchange which does not permit them.

Heavy Shipments For Athabaska

Food, Fuel and Equipment Orders Likely to Exceed 4,000 Tons

From Our Own Correspondent

REGINA.—At least 4,000 tons of equipment, gasoline, food and other bulk material will be shipped into Lake Athabaska gold mine region early this summer. This figure is a conservative estimate as operations by the various companies are still in the formulative stage.

Consolidated Mining and Smelters will head the list with more than 1,000 tons and Athona will rank second with approximately 1,000 tons. Nicholson Mines, Coniagas, Athabaska Portal, and the other companies operating there will also require shipping facilities from Waterways for their heavy machinery.

Considerable prospecting will take place in territory between Goldfields and Prince Albert. There is a wide stretch of country there of mineral strata that has been barely touched and reports of discoveries are commencing to come in from that area.

Athona Mines have obtained services of Dr. Colin Dafoe, cousin of Dr. Roy Dafoe of Callander fame, to look after its medical needs. A four-bed hospital has been prepared and equipment is now being installed.

The company will have 50 men working on its properties this summer and it is planned to sink the present shaft from 125 to 375 feet to advance workings on three levels. J. J. Byrne, president, expects to be in a position to have the company's holdings developed into a mine by the end of this year.

McKenzie Red Lake Improves Mill Grade

Milling rate at McKenzie Red Lake was increased to an average of 153 tons daily in the quarter ended March 31, the company reports. During the period, 16,225 tons of ore were hoisted, 2,393 tons of low-grade material sorted, and 13,832 tons milled, from which was produced $226,022. This works out to a recovery per ton of $16.34, a distinct improvement over previous quarters.

The incline winze has been completed, and stations established at the 750 and 850 ft. levels. Development of these two new levels will be under way during the current quarter.

Rugh Pam Porcupine Mines—Reports interesting indications from diamond drilling. A length of 500 ft. has been explored in six shallow holes, with values indicated in each. In the first bed of congolomerate, No. 5 hole returned $16.20 over 20.9 ft. of core, including one assay of $86 over 2.9 ft. The second bed of conglomerate in this hole gave $2.60 over 15 ft. of core.

OPTIONS

In accordance with listing regulations, the Toronto Stock Exchange has been advised regarding options and underwritings upon treasury shares of the following companies:

Normetal Mining Corp. Ltd. — Payment has been received for 50,000 shares at 75 cents per share under underwriting agreement dated Feb. 3, 1937, bringing total issued capital to 2,913,118. Balance of agreement comprises 844,362 shares at 75 cents per share.

Lava Cap—At a meeting of the directors held Apr. 15 arrangements were made to amend the underwriting agreement dated Apr. 21, 1936, so as to provide that the final block of 70,000 shares due to be taken up at $1 per share by Apr. 1 is to be taken up by Oct. 1, next, at $1.03 per share. Total issued capital is 2,390,755 shares.

May-Spiers—At a meeting of directors held Apr. 16 a resolution was passed extending for 60 days the time for payment of the balance of the purchase price of the Apr. 1 installment under the underwriting agreement dated May 11, 1936, and of all subsequent payments under that agreement, and under the option agreement entered into the same day. Total issued capital is 2,320,422 shares.

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March Gold Production $7,308,394 in Ontario

In the first three months of 1937, value of the output of Ontario's gold mines was approximately $21.3 millions, monthly report of the Ontario Department of Mines shows. March production was the highest this year at $7,308,394.

Porcupine camp has strengthened its position as Canada's greatest producing gold camp, although recovery per ton at Kirkland Lake is higher.

Altogether, 42 gold mines reported production in March, of which 20 were in northwestern Ontario. This large area, which includes Pickle Lake, McKenzie Red Lake, and Michipicoten, has shown almost continuous monthly increase in production.

The following are comparative figures in the first three months of 1936 and 1937:

Monthly Output of Ontario Gold Mines—1936-37

	1936 Tons milled	1936 Value $	1937 Tons milled	1937 Value $
Porcupine:				
January	321,654	2,654,617	360,997	3,166,931
February	311,340	2,618,662	326,558	3,116,903
March	330,163	2,811,129	357,997	3,318,759
Kirkland Lake:				
January	136,080	2,767,180	195,295	2,961,649
February	161,112	2,700,890	169,598	2,784,962
March	189,606	2,996,610	194,223	2,979,568
Matachewan:				
January	29,280	116,704	36,509	134,021
February	27,863	111,182	33,935	132,337
March	23,363	133,847	38,899	133,366
Northwestern Ontario:				
January	88,541	695,913	98,545	857,409
February	82,830	680,272	92,185	861,402
March	89,147	769,920	101,623	876,701
Total for Ontario:				
January	605,555	6,234,414	691,346	7,120,010
February	583,145	6,111,006	622,276	6,895,604
March	642,279	6,714,506	692,742	7,308,394

Mining Company Reports

Prospectors Airways Co.

Largely due to profit from sale of securities, Prospectors Airways, in the annual report for the year ended Dec. 31, 1936, shows that net profit for the year increased to $82,046, from $41,130 the year before.

Comparison with the 1935 statement shows that the company sold the following shares during 1936.

Company:	Holdings at Dec. 31 1936 (shs.)	No. of shares sold in 1936
McWatters Gold	365,200	31,800
Opemiska Copper	297,817	5,279
Lake Rose Mines	1,119,700	120,300
Lake Dore Mines	120,750	29,250

The company's portfolio was strengthened in the following manner:

Company:	Holdings at Dec. 31 1936 (shs.)	Shares bought during 1936 (shs.)
Pascalis Gold Mines	459,764	50,000
Lake Malartic Dev. Co.	3,620	nil
Cockeram Red Lake	17,492	17,492

Sales of shares was necessary to certain degree to maintain a reasonable cash position, and to supply funds for future operations, Robert Cockeram, president, points out.

A few gold discoveries were made by the company's prospectors in the Quebec field, the most important being in the vicinity of Lac La Treve, north of Chibougamau River. Work done in the latter part of the season resulted in one vein being stripped intermittently for a distance of 1,450 feet. Sampling results, while disappointing, showed several ore shoots from 60 to 100 feet long, average value varying from $5.25 to $7.50 per ton. Directors are considering drilling.

Results of work done on the Cameron Lake group, and on the claims near Harwood Lake, the latter under option, were disappointing also. The Harwood Lake option was dropped.

Toward the end of the season an option was taken on two groups bordering on Sandy Lake, in northwestern Ontario. Full width of the vein was not exposed, but sampling across six feet gave $12 for a length of 40 feet. This prospect will be drilled in the spring.

Working capital at the end of the year stood at $117,780, an increase of $31,189 over the previous year's figure.

Profit and Loss Account
Years Ended Dec. 31

	1936 $	1935 $
Sundry revenue	845	765
Dividends earned	36,890	20,705
Serv subsid oper. and claims	36,480	......
Less: Explor. & prosp. expen.	19,237	18,841
Accr. wages & exp.	44,576	10,909
Admin. & gen. exp.	8,264	5,787
Taxes	2,110	......
Legal fees	868	......
Depreciation	9,518	14,380
Min. cl. & prop. w/o	27,319	20,629
Net operating loss	37,677	49,076
Less: Profit on sale of securities	119,723	90,206
Net profit	82,046	41,130
Less: Prev. deficit	12,514	48,267
Res. for conting.	10,000	10,000
Add: Prev. year adjust.	......	4,623
Adjust. bk. val. shs. rec. for min. clms. for amt. w/o	13,124	......
Balance forward	72,656	*12,514

*Deficit.

Scott Chibougamau

Originally formed to develop 66 claims, known as the Duchesne Island and Smith groups in the Chibougamau area of Quebec, Scott Chibougamau Mines, in its first annual report, states that recently an option was obtained on a one-half cent interest in 15 claims adjoining designated as the McKenzie option. In addition, the company has acquired a group of three claims in Bousquet twp., north of Bouscadillac Gold Mines, and five claims in Fournier twp. adjoining the Quemartic Mines.

Operations at these groups are under the technical direction of McKay (Quebec) Exploration, which reports favorably on preliminary work.

A balance sheet as at Feb. 15, 1937, shows current assets of $37,777, of which all but $53 in accounts receivable was cash on hand and in the bank. No current liabilities are shown, liabilities being confined to 2,450,000 shares outstanding of the authorized capitalization of three million shares.

P. A. Cumyn, president, states that the underwriters, R. P. Mills & Co. have taken up and anticipated all options to July 1, 1937.

Preston East Dome

The belief that exploratory work done to date on the property of Preston East Dome Mines, adjoining Dome Mines at Porcupine, indicate that the property has "every chance of developing into a tonnage proposition of low to medium grade" is expressed by Douglas G. H. Wright, general manager, in the first annual report of this company, covering the year ended Dec. 31, 1936. During the year, a main working shaft was sunk to the 300-ft. level, and two levels established. This shaft will be sunk ultimately to 500 ft. No. 2 shaft was sunk to a depth of 271 feet, and a level station cut at 200 feet.

In the balance sheet as at Dec. 31, current assets are shown at $85,152, comprising cash of $59,175; accounts receivable, $4,162; stores and supplies, $16,196 and Ontario 4½% bonds, due Jan. 16, 1949, at cost of $5,619. Current liabilities amount to $11,915, leaving working capital of $73,237.

At the end of the year, 2,385,500 shares of an authorized 3 million share capitalization were outstanding. Options were outstanding on 364,500 shares at 50 cents and 50,000 shares at $1.75.

Howe Sound

In a report covering the quarter ended March 31, Howe Sound Co. holding company reports on the operations of its various properties as follows:

Income Account
Quarter Ended March 31

	1937 $	1936 $
Gross earn.	6,141,386	2,951,145
Less: Oper. exps.	4,202,652	2,524,962
Oper. profit	1,938,734	426,183
Add: Other inc.	27,949	176,554
Total income	1,966,683	602,737
Less: Depreciation	84,583	73,719
Net profit*	†1,882,100	529,018

*Before depletion. †Before provision for surtax on undistributed profits.

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News Concentrates

Obalski Mining Corp.—Has sunk the first six feet of its three-compartment shaft by hand steel at its Chibougamau district property, A. M. Potter, resident engineer, advises from the field. First drill hole is now within a few feet of cutting "D" vein, and shaft equipment is expected to be on the property shortly.

* * *

Old Diamond Gold Mines—With holdings in the Madoc district of Ontario, has filed a registration statement with the SEC at Washington covering 800,000 shares of $1 par value common stock to be offered at the market price on the Toronto over-the-counter market. It is stated that proceeds are to be used for the purchase of property, construction, development and equipment, and for working capital. Colin A. Campbell, chief engineer, advises that the drift on No. 3 vein be continued both north and south of the crosscut. Last round of the north face returned $2.40 across 40 in.

* * *

Rebair Gold Syndicate—According to mine manager L. W. Reed, has begun diamond drilling at its property in Lake of the Woods area. Except for water pumps, all machinery has been delivered.

* * *

Santa Fe Gold Mines—Has four machine shifts per day doing underground work at its Rainy River property. Officials anticipate that mill plans can be considered early next month. On the recommendation of James E. Grant, M.E., consultant, and E. L. MacVeigh, geologist, Santa Fe has bought or optioned an additional 1,200 acres immediately adjoining the main property, bringing its holdings to over 1,600 acres. Already on the ground is a mill building capable of housing a 300-ton mill, together with a power plant and other necessary structures. There is also a 100-ton mill, half complete, in suitable shape for use.

* * *

Stanley Gold Mines—Has contracted for 5,000 ft. of diamond drilling on its Wawa, Ont., property, and will drill from the 550-ft. level and other underground points to explore a mineralized zone south of the present shaft. Officials expect the zone to enrich at depth. Flat drilling from the 250-ft. level indicated it within 200 ft. of the shaft, where continuous values were found for over 300 ft., with drill still in the zone when drilling stopped.

* * *

Strathy Basin Mines—Capitalized at 3,000,000 shares, of which 1,250,000 were issued to original vendors and 100,000 were issued or to be issued as at Dec., 1936, to Borg Prospecting Syndicate, and an unstated number sold for cash, has placed its order for the mining plant to be taken into the company's property in Chester twp., and it is expected that it will be capable of carrying operations to a depth of 500 ft. According to H. Bounsall, director, checks on the bulk samples recently reported ran very closely to the high values previously announced.

* * *

Burwell Gold Mines—In Siscoe-Lamaque area of Quebec, is now drilling No. 4 hole on the property. Holes Nos. 1 and 2 passed through two quartz veins, 4½ and 9 ft. wide respectively. Company has awarded a contract for an additional 8,000 ft. of diamond drilling.

* * *

Denison Nickel Mines—Has sunk the shaft on its Sudbury district property to 200 ft., with a station being cut at this horizon. Crosscut will be driven immediately toward the vein, and this should be reached in a week or 10 days. The shaft is being sunk 150 ft. north of the surface showings. A. J. Anderson, consultant, estimates that about 60 ft. of crosscutting should come into ore.

* * *

Gold Mines Ltd.—With an all-Canadian board of directors, has been formed to develop an Arizona property about 20 miles from the town of Globe. It is claimed the property has been examined and favorably reported on by engineers of General Engineering Co., who have recommended mill construction. Company is capitalized at 3,000,000 shares. Officers are: James A. Watt, president; H. W. Greenwood, secretary; John Lowe, R. S. Hart and N. Kinsella, directors.

* * *

Lacoma Gold Mines—About 10 ft. south of the station on the 125-ft. level intersected the shaft vein, 12 ft. wide and showing visible gold, according to R. S. Potter, managing director. It was previously announced that a new vein on the 125-ft. level had been intersected while cutting a station, and that this vein was also 4½ ft. in width and showed visible gold.

* * *

Sudlac Gold Mines—Is arranging to diamond drill its first group of claims in Garnet twp., Sudbury mining division. Sudlac, which was formed to take over the properties in Sudbury and Little Long Lac areas formerly held by Garnet Gold Syndicate, has had its No. 1 property examined by Russell D. Jones, B.A.Sc., and it is reported that 22 channel samples, taken across widths of from 3 to 9 ft., gave an average of $21.36 per ton. Approximately 1,000 ft. of stripping and 620 ft. of trenching has been done.

* * *

Wedding River Gold—Plans surface work within the next couple of months at the Cadillac property in Quebec, according to J. J. Coghlan, vice-president.

* * *

Williamson Mines—Is pushing intensive exploration work at its Porcupine property in preparation for early starting of the proposed diamond drilling campaign. Stripping and trenching of the known vein systems are being carried out. A recent discovery will be test pitted immediately.

* * *

Lardego Gold Mines—In Larder Lake area, adjacent to and west of Omega, now has its second hole down over 300 ft. No. 1 hole, bottomed at 840 ft., cut 60 ft. of mineralized dolomite, and present drilling is being done on a zone opened up by trenching for a width of 20 ft.

* * *

Macabourg Gold Mines — Plans further prospecting for the MacKenzie and Scott twp. groups, and has erected camp buildings on its Obalski twp. property. Diamond drilling will be undertaken along the break when flying is resumed after the break-up. Recent assays, it is reported, gave $45 per ton across 9 ft. of vein material in a similar geological structure and shearing.

* * *

North Huron Gold Mines—In No. 3 hole at its property in Galbraith twp., Algoma district, cut an ore zone 26 ft. wide, of which 8 ft. is mineralized blue quartz, 275 ft. down. Hole is 100 ft. east of No. 2, in which 22 ft. of white and blue quartz was recently cut at 304 ft. Ore was also encountered in No. 1 hole. Officials report the fourth drill hole is now being spotted.

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Mill City Pete Surplus Is Cut

Oil Company Reports Net Earnings Lower for Year

5-CENT DIVIDEND

Dividends paid out of surplus in Feb., 1936, of five cents per share reduced surplus carried forward of Mill City Petroleums, Turner Valley operator, annual report for the year ended Dec. 31, 1936, shows. Before dividends, net earnings were also reduced.

No new developments were started on any of the properties in which this company is interested in the past year. With a view to increasing the company's income, directors have invested in a 20% Royalty interest in the well now being drilled by Mercury Royalties on the west flank. Since the beginning of this year, Mercury Oils has started drilling Mercury No. 8, in which Mill City has an overriding royalty of 20%. W. S. Davidson, president states.

Balance sheet as at Dec. 31, 1936, shows current assets $54,980, of which $42,155 was in cash. Current liabilities total $2,083, leaving working capital of $52,897, against working capital of $78,348 at the end of 1935. The above does not include shares in other companies, shown in the balance sheet as a current asset at $13,739.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Production:		
Well No. 1a	281	*423
Miracle well net†	22,390	30,355
Royalties received from Mercury Oils Ltd.	6,611	9,831
Interest earned	......	200
Misc. revenues	838	796
Mercury dividend	279	......
	30,399	41,605
Less expenses:		
Camp expenses	22	10
Insurance	101	115
Office expen., sals., etc.	5,613	4,181
Audit fees	60	110
Lease rentals	279	399
Taxes	756	816
Net earnings	23,568	35,968
Less: Depreciation	6,388	6,388
Depletion	7,320	6,731
Res. for inc. tax	1,977	4,012
Dividends	49,042	......
Surplus for period	41,159	18,837
Add: Previous surplus	°154,583	135,746
Balance forward	113,424	154,583
Earns. Per Sh. & Divd. Record:		
Earned	$0.008	$0.019
Paid	$0.05	nil

*After royalties paid of $36.
†After share of expenses, $1,683 in 1936 and $1,703 in 1935.
°Deficit

Kanasuta Gold Mines—Started a diamond drilling campaign early last month at its property in Duparquet twp., Quebec, bounded on the north and east by Beattie Gold. No. 1 hole, some 230 ft. west of the Beattie boundary, is now down over 525 ft.

Dalhousie Oil Co. Reports Surplus

Additional Revenue Is Reported from Sale of Gas

A surplus for the year of $10,480, as against a $4,670 deficit the previous year, is shown by Dalhousie Oil Co. in its annual report for the year ended Dec. 31, 1936.

During the year the company sold 1,341 barrels of crude oil and 5,191 barrels of crude naphtha. Additional revenues were received from the processing of tail gas in the natural gasoline plant of the Royalite Oil Co., parent company.

At the end of the year current assets amounted to $170,196, including cash of $42,007, and Dominion of Canada bonds, plus accrued interest $127,196. Current liabilities were $281, leaving a working capital of $169,915, as against $244,831 working capital at the end of 1935.

Income and Surplus Account
Years Ended Dec. 31

	1936 $	1935 $
Income from oper.	13,149	4,601
Less: Legal fees & exec. sals.	752	1,091
Net oper. income	12,397	3,510
Add: Inc. from invests. & misc. income	6,298	8,927
Profit on sale of secs.	11,510	4,885
Less: Directors' fees	200	200
Net earnings	30,005	17,122
Less: Depreciation	19,525	21,792
Surplus for year	10,480	*4,670
Add: Previous surplus	17,070	21,740
Balance carried for'd.	27,550	17,070
Shares Outstanding	3,000,000	3,000,000

*Deficit.

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The estimated value of mining production for 1936 is $52,500,000, which is an increase of approximately $3,700,000 over the value for 1935.

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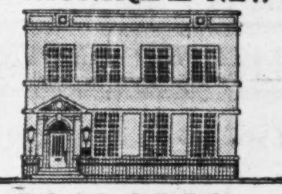

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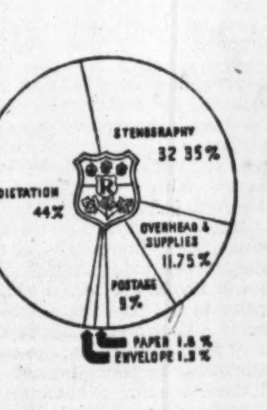

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Royalite Sees New Prospects On West Flank

President Says Zone Has Possibilities With Orderly Development

CAPITAL IMPROVED

Royalite Oil Co., major operator in the Turner Valley, Alberta, reports net profits equivalent to $1.15 a share for 1936, compared with $1.06 a share in 1935. Dividends of $1.50 a share paid for 1936 exceeded net profit, resulting in a reduction in earned surplus. However, working capital increased some $56,000 reflecting the substantial provisions for depletion and depreciation.

J. H. McLeod, president, states that there was an increase of 13.7% in 1936 in sales of petroleum products and 7.9% in sales of natural gas. Average price per barrel received for petroleum products was $2.36 compared with $2.33 in 1935, but the unit price for natural gas was unchanged.

Speaking of developments on the west flank, Mr. McLeod states that by the end of the year, a crude oil producing zone betwen three and four miles long had been proved at the south end of the west flank. Royalite controls a large amount of acreage in this southwest structure which extends over some 15 miles. This zone, Mr. McLeod states, offers "attractive possibilities, provided its development and operation are conducted in an orderly manner, which is a condition precedent to successful results."

At the end of the year, Royalite's holdings of leasehold and fee simple lands exclusive of surface property were 7,620 acres, on which were located 64 producing wells. During the year under review, the company acquired the leasehold lands of Director Oils and a sublease together with the well, known as Marjon-Freehold No. 1.

During the year, Royalite No. 27 and Sterling Pacific No. 3 were drilled to completion at depths of 5,570 feet, and 6,788 feet respectively, and drilling started on Sterling Pacific No. 4 in August.

Income and Surplus Account
Years Ended Dec. 31

	1936	1935
	$	$
Income from oper. ...	1,550,884	1,489,190
Less: Legal fees & exec. sals.	25,632	36,174
Directors' fees	500	500
Add: Other income ...	108,233	112,774
Profit on sale of secs.	83,579	28,900
Net earnings	1,716,564	1,594,190
Less: Depreciation ...	471,069	478,621
Depletion	274,172	244,752
Income tax res.	165,096	132,645
Net profit	806,227	738,172
Less Dividends	1,049,958	1,046,320
Deficit for year	243,731	308,148
Previous surplus	2,361,024	2,678,243
Less: Adj. inc. tax ...	17,019	9,071
Surplus forward	2,100,274	2,361,024

Working Capital Position

	1936	1935
	$	$
Current assets	3,081,905	2,997,974
Current liabilities	241,553	213,550
Working capital	2,840,352	2,784,424

New Mine Road To Chibougamau

From Our Own Correspondent

QUEBEC. — Still another link to the mining regions of the province is being forged by the combined efforts of the Provincial and Federal Governments, this being a 160-mile stretch of road which will be built between St. Felicien, in the Lake St. John district, and Chibougamau.

Construction of this road will get under way early in the summer. It will parallel the Assuapmouchouan River along its entire length, keeping within one and one-half miles of the stream at all times.

A winter road was built last year by the Province of Quebec, extending from Notre Dame de Lac Doré to south of Chibougamau Lake, and this will be improved so as to make the new highway a first class road, and one which will aid considerably in the development of the rich Chibougamau mining region.

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San Antonio

I have held on to my San Antonio stock for a long time now, and was wondering if it would be wise to sell at a profit now, or hold still further. Some advice from you would be appreciated.

San Antonio has just completed one of the best quarters in the company's history. As you perhaps know the ore picture at this property has improved greatly in the past few months with the result that higher earnings are forecast in the near future. Occurrences on the lower levels have indicated that the ore may be found at lower horizon, thereby giving promise of greater tonnage in production and better grade.

In the fiscal year ended Dec. 31, 1936, the company earned 15 cents per share of which 14 cents was paid in dividends. In addition the liquid position of the company was strengthened, working capital amounting to $443,395 at Dec. 31, 1936, as compared with $374,836 at the end of the previous year.

Briefly, this company is in good hands and the property has responded well to development work.

Thompson Cadillac

What are the chances for Thompson Cadillac? At the time of the reorganization you reported favorably on this property and I would like to get your present views.

Thompson Cadillac Mining Corp. operates a producing gold mine in Cadillac Twp., Abitibi County of Quebec.

A special meeting has been called for late in the present month to consider an increase in the authorized capital from 3,000,000 to 4,000,000 shares. The shares will be offered to present shareholders on the basis of one for each ten shares held. The funds so raised will be used to increase the capacity of the plant to about 200 tons per day.

In February of this year 2,402 tons of ore were milled with a total value of $10,851. A large proportion of the mill feed was low-grade from development faces, which accounts for the low average recovery of $4.52 per ton. On the 150 level, in the west part of the mines, 520 ft. of ore have been developed on which four or five stopes can be opened up. It is felt that the grade will run between $7.50 and $12.50 per ton across from 4 to 15 feet.

In the east section of the mine there are about 40,000 tons of broken and blocked-out ore, in addition to a considerable block of ore between the 300- and 600-foot levels which is practically untouched.

There is a large unexplored area in the west section of the property to which attention will be directed if present recommendations are approved for an appropriation from the new capital brought to the company by the increase in stock issued. About 50 per cent of the production has been in the form of concentrates, which involved the tying-up of considerable capital.

Federal Kirkland

I notice Federal Kirkland referred to in the news and in mining quotations. Would you please give me a brief picture of what shares in this company represent?

Federal Kirkland Mining Co. Ltd. owns a gold prospect of approximately 300 acres in Teck Twp. of Ontario north of the Sylvanite Gold Mine. A shaft has been sunk 745 feet with levels established at 200, 400, 500 and 700 feet. In January of this year a programme of deep diamond drilling from the surface was under way to explore for vein structure below O'Connell Lake.

This company holds 90,000 shares in Delnite Mines (controlled by Sylvanite) which is developing the former La Roche Mines property in Deloro Twp. The company is capitalized at 4,000,000 shares, of which 3,540,508 were outstanding as at Feb. 8 of this year. Options are outstanding on 425,000 shares of Federal Kirkland at prices ranging from 30 to 80 cents per share. During 1936, 200,000 shares were sold at 20 cents a share, and 275,000 shares of optioned stock were taken up at prices ranging from 20 to 30 cents per share.

At Nov. 30, 1936, current assets, exclusive of investments in associated companies, were $2,636, with current liabilities of $1,169. This was before the receipt of payment from the present financing agreement.

Wayside Cons.

Would you consider a purchase of Wayside stock a sound venture for one who can afford to speculate, but who wants a run for his money?

Wayside Consolidated Gold Mines owns and is developing a gold property in the Bridge River area of British Columbia. Production on this property appeared to have been started before sufficient development work had been carried out. At the present time work at the company's Bridge River property is continuing on a restricted scale on the lower levels, and at the Lucky Boy property in the Slocan district, recently acquired by the company, development over the past month is reported by the engineer in charge to have been fairly encouraging. Mill operations, which were suspended last January, may be resumed with treatment of customs ore from other mines in the district.

While the future of the company depends on the results of development work being carried on at the lower levels, the record of this company in the past has not been such as to reflect much faith in the management. In addition, the company's financial position is not particularly sound, working capital amounting to $352 at the end of August, 1936. Last January a change in the capital structure of the company was approved, shareholders to receive one new share for each five shares held and the company's capital stock was increased by the addition of one million new shares. No exact estimate of ore reserves has been published.

Hedley Mascot

I have placed practically all my life savings in Hedley Mascot Gold Mines, and it is of the utmost importance to me to protect them. The stock averaged me $1.15 per share. Is this investment sufficiently conservative or do you think I have been unwise? My late husband held many mining stocks, which have since been sold at a comfortable profit.

Hedley Mascot Gold Mines owns a producing property in the Hedley district of B. C. Recently the mill capacity was increased from 150 to 175 tons daily. This mill started operation in May, 1936. At the end of 1936, officials estimated ore reserves at around 300,000 tons of which about 200,000 averaged as high as .48 ounces gold per ton.

Briefly, this company appears to be a profitable operation on a limited scale. The management has obtained excellent technical advice in connection with their development programme, and results to date, particularly in view of a new ore body recently encountered by diamond drilling, indicate speculative possibilities.

However, it would seem to us that if your holdings in this company comprise most of your savings, it would be advisable to avoid as much as possible a speculative stock. Even large scale mining companies and producers are subject to uncertain forces such as the price of gold, labor troubles, and rising costs as well as the geological hazards involved in Canadian mining. For those who can afford to speculate, profits have been made and are being made in mining, but we doubt the wisdom of placing your entire savings in such shares.

Kenland

Is it true that Kenland has stopped milling? Does this mean that the stock is no good, or has it still a fair chance?

Kenland Gold Mines has for the present discontinued milling operations at the property, work being concentrated on development. Diamond drilling to guide development headings is projected on the tenth level.

Kenland Gold Mines owns a 310-acre property, the former Horseshoe Mines, about 53 miles southeast of Kenora in the Lake of the Woods area of Ontario. Negotiations are proceeding whereby Kirkland Hudson Bay Mines will take control and operate the mine. Previous production at the mine has been variously estimated at from $200,000 to $500,000. Before the present shut-down of the mill, operations were conducted on a basis of 45-50 tons daily, with millheads estimated at $10 per ton. The company is capitalized at three million shares of which 2,900,000 shares were outstanding as at Feb. 4 of this year.

Ore reserves have been estimated at 12,000 tons of $14 ore. There are also 20,000 tons of tailings which will average $5.35 per ton.

It appears that the discontinuance of milling operations is only temporary during the development programme.

Dawson White

I am considering a flyer in Dawson White Gold Mines shares, and wish, before I do so, to get a brief report from you as to development at this property, financing, etc.

Dawson White Gold Mines owns three merged groups of claims known as the Dawson, White, and LaRiviere, comprising about 700 acres, in Sturgeon Lake, Thunder Bay district of northwestern Ontario.

This company is capitalized at three million shares of which 900,000 shares were issued for the property and escrowed. Four hundred and fifty thousand shares have been sold for cash, including an offering of 400,000 shares at 30 cents per share made through Jay L. Francis & Co. of Toronto. There remain in the treasury 1,650,000 shares. Funds for development have been supplied through the sale of shares as above.

At last reports the company was working to select a site for the proposed shaft, and has completed three diamond drill holes, with the fourth nearing completion. Colin A. Campbell, M.E., in charge, computes a width of better than 11 feet of ore grading $40 by taking in additional sections of mineralized quartz. Drilling on the property is continuing together with the installation of the mining plant.

Denison Nickel

I hold 1,000 shares in Denison Nickel Mines which cost 62 cents per share. Has this company any prospects and is it worth holding?

Denison Nickel Mines is capitalized at 3,500,000 shares of which 1,500,000 are pooled with Denison Copper Co., former owners of the property in the Sudbury district. At last reports, shaft sinking had reached 160 feet and it is expected that work on the first station to be cut at the 200-foot horizon will begin about the middle of April. The shaft is being sunk 150 feet north of the surface showings and the company's consultant, A. J. Anderson, estimates that about 60 feet of crosscutting should come into ore.

You will see from this that this property is still in the preliminary stage. However, the management includes prominent and sincere mining men and the company is apparently sufficiently financed to carry out a thorough test of the property.

Mining Company Charters

Clear Lake Gold Mines — Ont. incorp. Mar. 30, 1937. H. O., Toronto. Auth. cap. 3,000,000 shares, $1 par.

Coronet Lochalsh Gold Mines—Ont. incorp. Apr. 7, 1937. H. O., Hamilton. Auth. cap. 3,000,000 shares, $1 par.

Firth Petroleums—Ont. incorp. Mar. 31, 1937. H. O., Toronto. Auth. cap. 2,000,000 shares, n.p.v., sale price not to exceed $2,000,000.

Glenrouyn Mines—Que. incorp. Mar. 16, 1937. H. O., Montreal. Auth. cap. 3,000,000 shares, $1 par.

Golden Gate Oils—B. C. incorp. Apr. 12, 1937. H. O., c/o London & Western Trusts Co., 801 Hastings St. W., Vancouver, B.C. Auth. cap. 2,500,000 shares, n.p.v.

Gordon Lake Gold Mines—Ont. incorp. Apr. 7, 1937. H. O., Toronto. Auth. cap. 40,000 shares, $1 par.

Hedley Gold Lode Mines—B. C. incorp. Apr. 12, 1937. H. O., Rm. 12, Commerce Bldg., 640 Hastings St. W., Vancouver, B.C. Auth. cap. 2,500,000 shares, 50 cents par.

Ivanhoe Placers—B. C. incorp. Mar. 31, 1937. H. O., 219-220 Rogers Bldg., 470 Granville St., Vancouver, B.C. Auth. cap. 100,000 shares, 50 cents par.

Maestro Silver Lead Mines—B. C. regis. Mar. 22, 1937. H. O., Ainsworth, B.C.

Marion Mining and Milling—B. C. incorp. Apr. 5, 1937. H. O., 1400 Beacon's Bldg., Vancouver, B.C. Auth. cap. 100,000 shares, $1 par.

Rand Malartic Mines—Que. incorp. Mar. 23, 1937. H. O., Malartic, Que. Auth. cap. 3,000,000 shares, $1 par.

Rouleau Mines — Que. incorp. Mar. 23, 1937. H. O., Montreal. Auth. cap. 140,000 shares, $1 par.

Taylor Holdings—B. C. incorp. Apr. 5, 1937. H. O., Rm. 524, 736 Granville St., Vancouver, B.C. Auth. cap. 250,000 shares, $1 par.

Western Diamond Drilling and Exploration Co.—B. C. incorp. Apr. 9, 1937. H. O., 901 Vancouver Block, 736 Granville St., Vancouver, B.C. Auth. cap. 10,000 shares, $1 par.

Willow Creek Exploration Co.—B. C incorp. Apr. 9, 1937. H. O., 901 Vancouver Block, 736 Granville St., Vancouver, B.C. Authh. cap. 20,000 shares, $1 par.

Keno Gold Mines—B. C. incorp. Mar. 25, 1937. H. O. Madison Block, Rossland, B.C. Auth. cap. 300,000 shares, 50c. par.

Laquerre Development Co.—Que. incorp. Mar. 18, 1937. H. O. 407 McGill St., Montreal. Auth. cap. 20,000 shares, $1 par.

Les Mines d'Or Provencher—Que. incorp. Mar. 12, 1937. H. O. Rouyn, Que. Auth. cap 3,000,000 shares, $1 par.

Louise Mining Co.—B. C. incorp. Mar. 25, 1937. H. O. 1318 Standard Bank Bldg., Vancouver, B.C. Auth. cap. 800 shares, $100 par.

Magma Mines — Que. incorp. Mar. 20, 1937. H. O. Hull, Que. Auth. cap. 20,000 shares, $1 par.

North Taber Exploration Co.—B. C. incorp. Mar. 23, 1937. H. O. Suite 5, 410 Seymour St., Vancouver, B.C. Auth. cap. 100 shares, $100 par.

Onanam Corp. — Que. incorp. Mar. 16, 1937. H. O. Montreal. Auth. cap. 4,000 shares n.p.v. Co. to start with $20,000 capital stock.

Quebec United Mines—Que. incorp. Mar. 15, 1937. H. O. Montreal. Auth. cap. 4,000,000 shares, $1 par.

Sainte-Jude Gold Mines — Que. incorp. Mar. 15, 1937. H. O. Montreal. Auth. cap. 3,000,000 shares, $1 par.

Soma-Duvernay Gold Mines — Que. incorp. Mar. 1, 1937. H. O. Montreal. Auth. cap. 3,000,000 shares, $1 par.

St. James Gold Mines—Que. incorp. Mar. 1, 1937. H. O. Montreal. Auth. cap. 2,000,000 shares, $1 par.

Utica Mines (1937)—B. C. incorp. Mar. 24, 1937. H. O. c/o Robertson, Douglas and Symes, 640 Pender St. W., Vancouver, B.C. Auth. cap. 2,000,000 shares, 50c. par.

Vantage Oils—B. C. incorp. Mar. 30, 1937. H. O. 603 Hall Bldg., 789 Pender St. W., Vancouver, B.C. Auth. cap. 2,000,000 shares, 50c. par.

Surrender of Charter

Algoma Mining and Finance Corp.—As of May 3, 1937, has dissolved the corporation and had its charter cancelled.

Chieftain Gold Mines—Has surrendered its charter as of Apr. 1, 1937. Same will be cancelled as of Apr. 26, 1937, from which date the corporation will be dissolved.

Utica Mines—As of Mar. 25, 1937, has resolved to wind up voluntarily.

Restoration to Register of Companies

Marble Bay Copper Mines—Is applying as of Apr. 26, 1937, for an order that it be restored to the Register by the Registrar of Companies.

United Copper Gold Mines—Will make application as of Apr. 16, 1937, for an order to restore it to the Register by the Registrar of Companies.

Change of Name

Stewart Bridge River Gold Mines—As of Aug. 15, 1937, will apply to the Registrar of Companies for approval of a change of name to Stewart Canal Gold Mines Ltd.

Capital Change

Ontigo Gold Mines — By supplementary letters patent has reduced its capital from 150,000 shares, n.p.v., to 100,000 shares n.p.v.

Chibougamau Properties — Has been issued supplementary letters patent increasing its capital of $99,950 to $499,950 by the creation of 400,000 additional shares of a par value of $1 each.

Lake Geneva Mining—Was issued supplementary letters patent as of Mar. 8, 1937, increasing its capital from $1,000,000 to $1,500,000 by the creation of 500,000 additional common shares of par value of $1 each.

Current Chatter From Manitoba

From Our Own Correspondent

WINNIPEG.—A new gold strike 100 miles northeast of Lac La Ronge is causing some sensation in mining circles, although hitherto little has been said about it. The showing was staked by Hugh Niven of Govan, Saskatchewan, early in March and the property lies close to that held by Churchill Minerals, staked in 1928 and which showed good values in copper and zinc with low gold values.

Niven has spent most of the last eight summers prospecting in the vicinity of the Churchill Minerals property and staked his most recent find for a Regina syndicate.

Mineral discoveries in this area hold an unusual interest because of the fact the Canadian Pacific Railway, it is generally believed, would like to project its line in Saskatchewan to contact with the mineral belt in northwestern Manitoba, including the town of Flin Flon and the Hudson Bay Mining and Smelting Co. The Canadian Pacific at Nipawin is within measurable distance of the Manitoba boundary. The Saskatchewan Government has surveyed a road and any mineral finds en route will, it is thought, assist materially in bringing nearer a western outlet for that section of Manitoba.

* * *

Sachigo River Makes Headway

Sachigo River Exploration Co. itself is making rapid progress on the shaft now down past 125 feet. It is being sunk to 280 feet and two levels will then be explored. Each level will have to crosscut about 100 feet to the vein. Another vein has been encountered in the shaft but insufficient work has been done to determine its value.

* * *

Flying Suspended

Practically all flying operations are now suspended. Some flying is still being done from Ilford and a few small parties have gone into the Patricia district from Hudson, but service from Winnipeg and from Lac du Bonnet has been suspended.

A unit of measure . . . a ray of sunshine . . . the muscles of a tireless servant . . . a morning newspaper at your door. A watt is all of these and more.

METER-READER Bill Craig is no philosopher so he'll probably give Johnny the "unit of measure" answer and let it go at that. A watt is a unit of electrical energy . . . the pressure in volts times the amount of current in amperes. It is a pretty small unit, so we usually talk "kilowatts," a term that simply means "1,000 watts."

Thus, if you burn a 100-watt lamp for 10 hours, you have used one kilowatt hour of electricity. The watts you buy are the rays of manufactured sunshine radiated from that lamp. They are the "muscles" that energize the motors of your household servants — refrigerators, washing machines, vacuum cleaners, fans. They furnish clean, even heat for cooking and ironing.

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